

Catcher Technology Co., Ltd. and Subsidiaries

**Consolidated Financial Statements for the
Third Quarter of 2023 and 2022
Independent Auditors' Review Report**

Independent Auditors' Review Report

The Board of Directors and Shareholders
Catcher Technology Co., Ltd.

Introduction

Catcher Technology Co., Ltd. and its subsidiaries' (Catcher Group) Consolidated Balance Sheets as at September 30, 2023 and 2022, in addition to the Consolidated Statements of Comprehensive Income for July 1 to September 30, 2023 and 2022 and January 1 to September 30, 2023 and 2022, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) from January 1 to September 30, 2023 and 2022, have been reviewed by the CPAs. The management is responsible for the preparation and fair presentation of the 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" endorsed and issued into effect by the Financial Supervisory Commission. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope

We conducted our reviews in accordance with TWSRE 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Standards on Review Engagement. A review of consolidated financial statements consists of making inquiries (primarily of personnel 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.

Conclusion

Based on our review (please see Other Matter), we are not aware of any material respects in which the consolidated financial statements referred to above do not comply with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission, and which do not present fairly the consolidated financial conditions of Catcher Group as of September 30, 2023 and 2022, the consolidated financial performance from July 1 to September 30, 2023 and 2022, as well as the consolidated financial performance and consolidated cash flows from January 1 to September 30, 2023 and 2022.

Other Matter

Among Catcher Group's subsidiaries accounted for using the equity method for the third quarter of 2023 and 2022, the financial report of Bioteque Corporation was not reviewed by the CPAs; however, it was reviewed by other accountants. Thus, the conclusion made by the CPAs on the consolidated financial report, regarding the investment amount of Bioteque Corporation accounted for using the equity method, is based on the review report by other accountants. The investment amount in the aforementioned entity accounted for using the equity method as of September 30, 2023 and 2022 amounted to NT\$547,986 thousand and NT\$433,661 thousand, respectively, each representing 0.2% of the Group's total consolidated assets. From July 1 to September 30, 2023 and 2022, and January 1 to September 30, 2023 and 2022, the shares of comprehensive income recognized from the aforementioned entity accounted for using the equity method were NT\$3,212 thousand, NT\$27,172 thousand, NT\$34,300 thousand, and NT\$27,172 thousand, respectively, representing 0.1%, 0.2%, 0.3% and 0.09% of the Group's total consolidated comprehensive income.

The engagement partners on the audits resulting in this independent auditors' review report are Hung-Ju Liao and Chi-Chen Lee.

Deloitte & Touche
Taipei, Taiwan
Republic of China
November 10, 2023

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 2023, DECEMBER 31, 2022, AND SEPTEMBER 30, 2022

(In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2023		December 31, 2022		September 30, 2022	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 69,711,751	26	\$ 57,529,369	24	\$ 106,911,563	40
Financial assets at FVTPL - current (Note 7)	437,233	-	189,736	-	901,836	-
Financial assets at FVTOCI - current (Note 8)	2,182,787	1	143,609	-	115,183	-
Financial assets at amortized cost - current (Notes 9 and 32)	49,612,130	19	116,953,536	49	92,685,919	35
Trade receivables (Notes 11 and 25)	5,626,404	2	9,564,795	4	9,578,861	4
Other receivables (Note 11)	2,462,831	1	843,330	-	719,630	-
Current tax assets	1,862	-	52,278	-	79,024	-
Inventories (Note 12)	2,037,269	1	3,392,456	1	3,679,544	1
Other current assets (Note 19)	200,296	-	309,385	-	353,863	-
Total current assets	<u>132,272,563</u>	<u>50</u>	<u>188,978,494</u>	<u>78</u>	<u>215,025,423</u>	<u>80</u>
NON-CURRENT ASSETS						
Financial assets at FVTPL - non-current (Note 7)	1,587,605	1	1,298,244	1	1,397,609	1
Financial assets at FVTOCI - non-current (Note 8)	79,448,032	30	3,509,701	2	2,899,493	1
Financial assets at amortized cost - non-current (Note 9)	26,994,036	10	25,738,655	11	26,573,643	10
Investments accounted for using the equity method (Note 14)	2,473,187	1	2,181,179	1	2,149,507	1
Property, plant and equipment (Note 15)	13,060,857	5	14,338,395	6	15,355,913	6
Right-of-use assets (Note 16)	1,004,316	1	999,332	-	1,020,200	-
Investment properties (Note 17)	1,634,033	1	953,276	-	749,553	-
Intangible assets (Note 18)	12,942	-	22,707	-	29,139	-
Deferred tax assets	3,448,747	1	3,440,126	1	3,308,510	1
Other non-current assets (Note 19)	109,072	-	102,581	-	49,145	-
Total non-current assets	<u>129,772,827</u>	<u>50</u>	<u>52,584,196</u>	<u>22</u>	<u>53,532,712</u>	<u>20</u>
TOTAL ASSETS	<u>\$ 262,045,390</u>	<u>100</u>	<u>\$ 241,562,690</u>	<u>100</u>	<u>\$ 268,558,135</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 20 and 32)	\$ 77,866,879	30	\$ 56,696,000	24	\$ 78,737,726	29
Contract liabilities - current (Note 25)	47,964	-	42,803	-	73,204	-
Trade payables (Note 21)	1,669,611	1	2,720,459	1	3,015,056	1
Other payables (Note 22)	7,471,069	3	5,686,595	2	5,665,360	2
Dividends payable	-	-	-	-	41	-
Current tax liabilities	5,297,867	2	3,183,772	1	1,173,585	1
Lease liabilities - current (Note 16)	3,991	-	5,923	-	8,417	-
Other current liabilities (Note 22)	877,342	-	856,684	-	945,505	-
Total current liabilities	<u>93,234,723</u>	<u>36</u>	<u>69,192,236</u>	<u>28</u>	<u>89,618,894</u>	<u>33</u>
NON-CURRENT LIABILITIES						
Deferred tax liabilities	5,933,133	2	6,424,940	3	8,990,479	4
Lease liabilities - non-current (Note 16)	133,121	-	126,297	-	126,073	-
Net defined benefit liabilities - non-current (Note 4)	6,545	-	6,569	-	6,573	-
Other non-current liabilities (Note 22)	12,965	-	10,036	-	9,536	-
Total non-current liabilities	<u>6,085,764</u>	<u>2</u>	<u>6,567,842</u>	<u>3</u>	<u>9,132,661</u>	<u>4</u>
Total liabilities	<u>99,320,487</u>	<u>38</u>	<u>75,760,078</u>	<u>31</u>	<u>98,751,555</u>	<u>37</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)						
Share capital						
Ordinary shares	6,803,641	3	7,144,671	3	7,144,671	2
Capital surplus	17,876,763	7	18,771,534	8	18,771,534	7
Retained earnings						
Legal reserve	22,878,477	8	22,354,680	9	22,354,680	9
Special reserve	2,244,483	1	16,961,466	7	16,961,466	6
Unappropriated earnings	114,915,556	44	102,803,702	43	102,517,781	38
Total retained earnings	140,038,516	53	142,119,848	59	141,833,927	53
Other equity	(2,006,032)	(1)	(2,244,484)	(1)	2,045,108	1
Total equity attributable to owners of the Company	162,712,888	62	165,791,569	69	169,795,240	63
NON-CONTROLLING INTERESTS	<u>12,015</u>	<u>-</u>	<u>11,043</u>	<u>-</u>	<u>11,340</u>	<u>-</u>
Total equity	<u>162,724,903</u>	<u>62</u>	<u>165,802,612</u>	<u>69</u>	<u>169,806,580</u>	<u>63</u>
TOTAL	<u>\$ 262,045,390</u>	<u>100</u>	<u>\$ 241,562,690</u>	<u>100</u>	<u>\$ 268,558,135</u>	<u>100</u>

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

(Refer to the review report of Deloitte & Touche dated November 10, 2023)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

JULY 1 to SEPTEMBER 30, 2023 AND 2022 AND JANUARY 1 to SEPTEMBER 30, 2023 AND 2022

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	July 1 to September 30, 2023		July 1 to September 30, 2022		January 1 to September 30, 2023		January 1 to September 30, 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 16 and 25)	\$ 4,333,284	100	\$ 8,675,025	100	\$ 14,766,784	100	\$ 21,174,409	100
OPERATING COSTS (Notes 12 and 26)	<u>3,299,881</u>	<u>76</u>	<u>5,713,365</u>	<u>66</u>	<u>10,650,812</u>	<u>72</u>	<u>14,574,489</u>	<u>69</u>
GROSS PROFIT	<u>1,033,403</u>	<u>24</u>	<u>2,961,660</u>	<u>34</u>	<u>4,115,972</u>	<u>28</u>	<u>6,599,920</u>	<u>31</u>
OPERATING EXPENSES (Notes 11 and 26)								
Selling and marketing expenses	79,660	2	102,388	1	217,596	1	299,292	1
General and administrative expenses	420,790	10	558,775	6	1,358,508	9	1,572,104	7
Research and development expenses	310,258	7	388,998	5	965,931	7	1,168,200	6
Gains on reversal of expected credit losses	-	-	-	-	-	-	(51,289)	-
Total operating expenses	<u>810,708</u>	<u>19</u>	<u>1,050,161</u>	<u>12</u>	<u>2,542,035</u>	<u>17</u>	<u>2,988,307</u>	<u>14</u>
PROFIT FROM OPERATIONS	<u>222,695</u>	<u>5</u>	<u>1,911,499</u>	<u>22</u>	<u>1,573,937</u>	<u>11</u>	<u>3,611,613</u>	<u>17</u>
NON-OPERATING INCOME AND EXPENSES (Notes 10, 14 and 26)								
Interest income	2,695,399	62	1,507,197	17	7,488,014	51	2,277,152	11
Other income	85,812	2	98,918	1	740,382	5	1,001,823	4
Foreign exchange gains (losses), net	2,508,271	58	5,520,934	64	4,241,520	29	10,987,001	52
Other gains (losses), net	37,789	1	(152,931)	(2)	137,620	1	(1,111,626)	(5)
Interest expense	(326,393)	(7)	(202,919)	(2)	(847,202)	(6)	(474,573)	(2)
Reversal of losses from expected credit losses	-	-	-	-	-	-	(76,671)	-
Share of profit (loss) from associates accounted for using the equity method	<u>40,268</u>	<u>1</u>	<u>41,035</u>	<u>-</u>	<u>76,085</u>	<u>-</u>	<u>37,403</u>	<u>-</u>
Total non-operating income and expenses	<u>5,041,146</u>	<u>117</u>	<u>6,812,234</u>	<u>78</u>	<u>11,836,419</u>	<u>80</u>	<u>12,640,509</u>	<u>60</u>
PROFIT BEFORE INCOME TAX	5,263,841	122	8,723,733	100	13,410,356	91	16,252,122	77
INCOME TAX EXPENSE (Notes 4 and 27)	<u>778,028</u>	<u>18</u>	<u>3,677,384</u>	<u>42</u>	<u>3,557,382</u>	<u>24</u>	<u>5,642,236</u>	<u>27</u>
NET PROFIT	<u>4,485,813</u>	<u>104</u>	<u>5,046,349</u>	<u>58</u>	<u>9,852,974</u>	<u>67</u>	<u>10,609,886</u>	<u>50</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 10 and 24)								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(289,469)	(7)	(16,266)	-	10,967	-	(23,809)	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating the financial statements of foreign operations	5,801,155	134	9,519,614	110	6,788,207	46	19,157,888	90
Unrealized gain (loss) on investment in debt instruments at fair value through other comprehensive income	(6,974,638)	(161)	92,459	1	(6,564,804)	(45)	(101,210)	-
Share of the other comprehensive income from associates accounted for using the equity method	<u>3,242</u>	<u>-</u>	<u>7,408</u>	<u>-</u>	<u>4,435</u>	<u>-</u>	<u>7,408</u>	<u>-</u>
Current-period other comprehensive income (post-tax profit or loss)	(1,459,710)	(34)	9,603,215	111	238,805	1	19,040,277	90
Total comprehensive income	<u>\$ 3,026,103</u>	<u>70</u>	<u>\$ 14,649,564</u>	<u>169</u>	<u>\$ 10,091,779</u>	<u>68</u>	<u>\$ 29,650,163</u>	<u>140</u>

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	July 1 to September 30, 2023		July 1 to September 30, 2022		January 1 to September 30, 2023		January 1 to September 30, 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
NET PROFIT (LOSS)								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 4,485,659	104	\$ 5,046,284	58	\$ 9,852,579	67	\$ 10,615,903	50
Non-controlling interests	154	-	65	-	395	-	(6,017)	-
	<u>\$ 4,485,813</u>	<u>104</u>	<u>\$ 5,046,349</u>	<u>58</u>	<u>\$ 9,852,974</u>	<u>67</u>	<u>\$ 10,609,886</u>	<u>50</u>
TOTAL COMPREHENSIVE INCOME								
(LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 3,025,531	70	\$ 14,648,775	169	\$ 10,090,807	68	\$ 29,651,255	140
Non-controlling interests	572	-	789	-	972	-	(1,092)	-
	<u>\$ 3,026,103</u>	<u>70</u>	<u>\$ 14,649,564</u>	<u>169</u>	<u>\$ 10,091,779</u>	<u>68</u>	<u>\$ 29,650,163</u>	<u>140</u>
EARNINGS PER SHARE (Note 28)								
Basic	\$ 6.59		\$ 7.06		\$ 14.31		\$ 14.70	
Diluted	6.59		7.06		14.29		14.67	

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

(Refer to the review report of Deloitte & Touche dated November 10, 2023)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
JANUARY 1 TO SEPTEMBER 30, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											
	Retained Earnings					Other Equity						
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences from Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain (Loss) on Financial Assets Classified as FVTOCI	Total	Treasure Shares	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2023	\$ 7,144,671	\$ 18,771,534	\$ 22,354,680	\$ 16,961,466	\$ 102,803,702	(\$ 2,001,758)	(\$ 242,726)	(\$ 2,244,484)	\$ -	\$ 165,791,569	\$ 11,043	\$ 165,802,612
Appropriation of the 2022 earnings (Note 24)												
Legal reserve	-	-	523,797	-	(523,797)	-	-	-	-	-	-	-
Special reserve	-	-	-	(14,716,983)	14,716,983	-	-	-	-	-	-	-
Cash dividends distributed by the Company - 100%	-	-	-	-	(6,803,641)	-	-	-	-	(6,803,641)	-	(6,803,641)
Donations from shareholders	-	988	-	-	-	-	-	-	-	988	-	988
Net profit from January 1 to September 30, 2023	-	-	-	-	9,852,579	-	-	-	-	9,852,579	395	9,852,974
Other comprehensive income after tax for the nine months ended September 30, 2023	-	-	-	-	-	6,792,065	(6,553,837)	238,228	-	238,228	577	238,805
Total comprehensive income/(loss) for the nine months ended September 30, 2023	-	-	-	-	9,852,579	6,792,065	(6,553,837)	238,228	-	10,090,807	972	10,091,779
Gain (loss) from disposal of investments in equity instruments at FVTOCI	-	-	-	-	(224)	-	224	224	-	-	-	-
Buyback of ordinary shares (Note 24)	-	-	-	-	-	-	-	-	(6,366,835)	(6,366,835)	-	(6,366,835)
Cancellation of treasury shares (Note 24)	(341,030)	(895,759)	-	-	(5,130,046)	-	-	-	6,366,835	-	-	-
BALANCE AT SEPTEMBER 30, 2023	\$ 6,803,641	\$ 17,876,763	\$ 22,878,477	\$ 2,244,483	\$ 114,915,556	\$ 4,790,307	(\$ 6,796,339)	(\$ 2,006,032)	\$ -	\$ 162,712,888	\$ 12,015	\$ 162,724,903
BALANCE AT JANUARY 1, 2022	\$ 7,616,181	\$ 20,008,824	\$ 21,497,294	\$ 14,394,310	\$ 108,287,799	(\$ 16,859,133)	(\$ 102,333)	(\$ 16,961,466)	(\$ 3,465,809)	\$ 151,377,133	\$ 49,589	\$ 151,426,722
Appropriation of the 2021 earnings (Note 24)												
Legal reserve	-	-	857,386	-	(857,386)	-	-	-	-	-	-	-
Special reserve	-	-	-	2,567,156	(2,567,156)	-	-	-	-	-	-	-
Cash dividends distributed by the Company - 100%	-	-	-	-	(7,297,531)	-	-	-	-	(7,297,531)	-	(7,297,531)
Donations from shareholders	-	1,192	-	-	-	-	-	-	-	1,192	-	1,192
Net profit (loss) from January 1 to September 30, 2022	-	-	-	-	10,615,903	-	-	-	-	10,615,903	(6,017)	10,609,886
Other comprehensive income after tax for the nine months ended September 30, 2022	-	-	-	-	-	19,160,371	(125,019)	19,035,352	-	19,035,352	4,925	19,040,277
Total comprehensive income/(loss) for the nine months ended September 30, 2022	-	-	-	-	10,615,903	19,160,371	(125,019)	19,035,352	-	29,651,255	(1,092)	29,650,163
Gain (loss) from disposal of investments in equity instruments at FVTOCI	-	-	-	-	28,778	-	(28,778)	(28,778)	-	-	-	-
Buyback of ordinary shares (Note 24)	-	-	-	-	-	-	-	-	(3,936,809)	(3,936,809)	-	(3,936,809)
Cancellation of treasury shares (Note 24)	(471,510)	(1,238,482)	-	-	(5,692,626)	-	-	-	7,402,618	-	-	-
Decrease in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(37,157)	(37,157)
BALANCE AT SEPTEMBER 30, 2022	\$ 7,144,671	\$ 18,771,534	\$ 22,354,680	\$ 16,961,466	\$ 102,517,781	\$ 2,301,238	(\$ 256,130)	\$ 2,045,108	\$ -	\$ 169,795,240	\$ 11,340	\$ 169,806,580

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

(Refer to the review report of Deloitte & Touche dated November 10, 2023)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

JANUARY 1 TO SEPTEMBER 30, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

	January 1 to September 30, 2023	January 1 to September 30, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	\$ 13,410,356	\$ 16,252,122
Adjustments for:		
Depreciation expense	2,142,420	2,640,440
Amortization expense	18,929	36,303
Expected credit losses	-	25,382
Loss (gain) on financial instruments at fair value through profit or loss	(48,008)	971,055
Interest expense	847,202	474,573
Net loss on disposal of financial assets	1,237	175,820
Interest income	(7,488,014)	(2,277,152)
Dividend income	(69,623)	(97,883)
Share of (profit) loss of associates accounted for using the equity method	(76,085)	(37,403)
Proceeds from disposal of property, plant and equipment	(270,864)	(234,670)
Loss on disposal of subsidiaries	-	9,883
Unrealized proceeds from foreign currency exchange	(1,281,158)	(2,096,449)
Net changes in operating assets and liabilities		
Trade receivables	4,077,518	319,847
Other receivables	(17,606)	60,531
Inventories	1,114,808	(57,009)
Other current assets	(460,698)	(9,818)
Contract liabilities	5,161	40,462
Trade payables	(1,089,014)	(529,550)
Other payables	(931,033)	(683,561)
Other current liabilities	(11,547)	(568,629)
Net defined benefit liabilities	(24)	(4)
Cash generated from operations	9,873,957	14,414,290
Dividends received	69,623	97,127
Income tax paid	(2,040,560)	(960,314)
Net cash generated from operating activities	<u>7,903,020</u>	<u>13,551,103</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(77,739,602)	(409,423)
Proceeds from sale of financial assets at fair value through other comprehensive income	164,382	2,757,954
Purchase of financial assets at amortized cost	(203,065,601)	(273,630,592)

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	January 1 to September 30, 2023	January 1 to September 30, 2022
Proceeds from disposal of financial assets at amortized cost	\$ 271,818,486	\$ 310,039,054
Purchase of financial assets at fair value through profit or loss	(500,868)	(7,177,644)
Proceeds from disposals of financial assets at fair value through profit or loss	41,546	9,165,695
Purchase of investments accounted for using the equity method	(317,139)	-
Acquisition of property, plant and equipment	(316,774)	(380,711)
Proceeds from disposal of property, plant and equipment	268,419	335,032
Increase in refundable deposits	(298)	(1,357)
Decrease in refundable deposits	12,993	1,426
Purchase of intangible assets	(1,478)	-
Purchase of investment properties	(373,574)	-
Interest received	5,790,721	1,744,218
Dividends received from associates	113,005	110,624
Net cash generated from investing activities	<u>(4,105,782)</u>	<u>42,554,276</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	509,192,000	304,675,178
Repayments of short-term borrowings	(488,062,657)	(303,969,178)
Increase in guarantee deposits received	8,483	14,386
Decrease in guarantee deposits received	(5,795)	(6,029)
Repayment of principal of lease liabilities	(6,573)	(11,231)
Cash dividends paid	(6,803,641)	(7,297,490)
Buy-back of ordinary shares	(6,366,835)	(3,981,444)
Interest paid	(839,130)	(464,686)
Change in non-controlling interests	-	(37,157)
Proceeds from unclaimed dividends	988	1,192
Net cash generated from financing activities	<u>7,116,840</u>	<u>(11,076,459)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>1,268,304</u>	<u>8,767,358</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,182,382	53,796,278
OPENING CASH AND CASH EQUIVALENTS	<u>57,529,369</u>	<u>53,115,285</u>
CLOSING CASH AND CASH EQUIVALENTS	<u>\$ 69,711,751</u>	<u>\$ 106,911,563</u>

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

(Refer to the review report of Deloitte & Touche dated November 10, 2023)

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JANUARY 1 TO SEPTEMBER 30, 2023 AND 2022

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Catcher Technology Co., Ltd. (the “Company”) was incorporated in November 1984 under the laws of the Republic of China (R.O.C.). The Company manufactures and sells mainly aluminum and magnesium extrusion and stamping products and molds. It also provides leasing services.

The Company’s shares were listed and traded on the Taipei Exchange (formerly called the GreTai Securities Market) from November 1999 until September 2001, when the Company listed its shares on the Taiwan Stock Exchange (TWSE) under stock number “2474” and ceased listing and trading on the Taipei Exchange.

The Company increased its capital by listing its shares in the form of Global Depositary Receipts (GDRs) on the Luxembourg Stock Exchange (Euro MTF) in June 2011.

The consolidated financial statements of the Company and its subsidiaries, collectively referred to as the Group, are presented in the Company’s functional currency, the New Taiwan Dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were published after approved by the Company’s Board of Directors on November 10, 2023.

3. APPLICATION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC) and SIC Interpretations (SIC) (collectively, “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The initial application of the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the accounting policies of the Company and its subsidiaries (collectively referred to as the “Group”).

b. The IFRSs endorsed by the FSC for application starting from 2024 are as follows:

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 16 “Lease Liability in A Sale and Leaseback”	January 1, 2024 (Note 2)
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 (Note 3)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: Lessees shall apply the amendments to IFRS 16 retroactively to the sale and leaseback transaction signed after the date of initial application of IFRS 16.

Note 3: Some disclosures can be exempted when this amendment is initially applied.

In addition to the above impacts, as of the date the consolidated financial statements were authorized for issue, the Group has been continuously assessing the possible impact from the interpretations and amendments to the other standards on the Group’s financial status and financial performance; the Group will disclose the relevant impact once the assessment is completed.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between An Investor and Its Associates or Joint Ventures”	To be announced
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: Applicable to the annual reporting periods beginning after January 1, 2025. The effect resulting from the initial application of the amendment will be recognized as retained earnings as of the date of initial application. When the Group uses non-functional currency as the presentation currency, the resulting effect will be adjusted to the exchange difference for foreign operations under equity as of the date of initial application.

As of the date the consolidated financial statements were authorized for issue, the Group has been continuously assessing the possible impact from the amendments to

the aforementioned standards and interpretations on the Group's financial status and financial performance; the Group will disclose the relevant impact once the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. The consolidated financial reports do not include all the IFRSs disclosures as required for annual financial reports.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs: (unadjusted) prices quoted in active markets for identical assets or liabilities;
- 2) Level 2 inputs: other than quoted prices classified as Level 1 inputs, observable inputs for assets or liabilities, either directly obtained (i.e. prices) or indirectly derived (from prices);
- 3) Level 3 inputs: unobservable inputs for assets or liabilities.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this leads to a deficit balance for the non-controlling interests.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over its subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. 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 and attributed to the owners of the Company.

Please see Note 13, tables 8 and 9 for detailed information on subsidiaries, including percentages of ownership and main businesses.

d. Other significant accounting policies

In addition to the following descriptions, please refer to the summary of significant accounting policies in the 2022 Consolidated Financial Report.

1) Defined retirement benefits

The pension cost in the interim period is calculated using the actuarially determined pension cost rate at the end of the previous year, and based on a period from the beginning of the year to the end of the current period. Adjustments are made for critical market volatilities in the current period, as well as major project revisions, liquidations, or other major one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and tax deferred. Income tax for the interim period is evaluated on an annual basis and is calculated based on the interim pre-tax profit using the tax rate applicable to the expected total annual profit.

5. KEY SOURCES OF CRITICAL ACCOUNTING JUDGMENTS AND UNCERTAINTIES FOR ESTIMATIONS AND ASSUMPTIONS

Please refer to the description for the major sources of critical accounting judgments and uncertainties for estimations and assumptions in the 2022 Consolidated Financial Report.

6. CASH AND CASH EQUIVALENTS

	September 30, 2023	December 31, 2022	September 30, 2022
Cash on hand	\$ 1,630	\$ 1,969	\$ 2,044
Demand deposits in banks	6,405,523	10,794,953	3,995,798
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	62,924,598	46,595,647	102,660,712
Repurchase agreements	380,000	136,800	253,009
	<u>\$69,711,751</u>	<u>\$57,529,369</u>	<u>\$106,911,563</u>

The interest rate intervals of time deposits, repurchase agreements and commercial paper were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Time deposits	1.75%~6.41%	0.93%~5.20%	0.73%~4.18%
Repurchase agreements	1.08%~1.13%	1.05%	0.58%~0.70%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Financial assets at FVTPL - current</u>			
Mandatorily measured at FVTPL			
Non-derivative financial assets			
Beneficiary certificates	\$ 294,567	\$ -	\$ 53,243
Listed shares	<u>142,666</u>	<u>189,736</u>	<u>848,593</u>
	<u>\$ 437,233</u>	<u>\$ 189,736</u>	<u>\$ 901,836</u>
<u>Financial assets at FVTPL - non-current</u>			
Mandatorily measured at FVTPL			
Non-derivative financial assets			
Private equity funds	\$ 1,322,997	\$ 1,026,794	\$ 1,129,497
Private equity securities	-	22,309	31,573
Limited partnerships	264,608	249,141	150,814
Simple Agreement for Future Equity (SAFE)	<u>-</u>	<u>-</u>	<u>85,725</u>
	<u>\$ 1,587,605</u>	<u>\$ 1,298,244</u>	<u>\$ 1,397,609</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Current</u>			
Investments in equity instruments	<u>\$ 2,182,787</u>	<u>\$ 143,609</u>	<u>\$ 115,183</u>
<u>Non-current</u>			
Investments in equity instruments	\$ 1,691,520	\$ 1,342,874	\$ 993,784
Investments in debt instruments	<u>77,756,512</u>	<u>2,166,827</u>	<u>1,905,709</u>
	<u>\$79,448,032</u>	<u>\$ 3,509,701</u>	<u>\$ 2,899,493</u>

a. Investments in equity instruments

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Current</u>			
Domestic investments			
Listed shares	<u>\$ 2,182,787</u>	<u>\$ 143,609</u>	<u>\$ 115,183</u>
<u>Non-current</u>			
Domestic investments			
Unlisted shares	\$ 51,240	\$ 57,330	\$ 55,020
Foreign investments			
Limited partnerships	1,595,425	1,285,544	938,764
Listed shares	<u>44,855</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,691,520</u>	<u>\$ 1,342,874</u>	<u>\$ 993,784</u>

The investments in equity instruments are held for medium- to long-term strategic purpose. Accordingly, the management decided to designate and evaluate the investments in equity instruments at FVTOCI as they believe that recognizing profit or loss from short-term fair value fluctuations of these investments is not consistent with the Group's long-term investment plan.

The Group increased its investment in China Renewable Energy Fund, L.P. (the CREF) by US\$5,526 thousand and US\$13,520 thousand in March 2023 and the year of 2022, respectively, and accounted for 23.51% of the CREF. Holding only 1 out of 5 seats in the Operation Committee of the CREF and considering this as having no significant influence over the investee, the management of the Group decided to classify the investment as financial assets at FVTOCI - non-current.

The Group was elected as director for 2 board seats respectively of Pacific Hospital Supply Co., Ltd. and Bioteque Corporation in June 2022. Despite holding less than 20% stake in each of the aforementioned companies, the Group considers itself as having major influence. Starting from June 15, 2022, the Group changed the accounting treatment for the two investees using the equity method, based on the closing prices on the date, from financial assets at FVTOCI as previously classified. Please refer to Note 14.

b. Investments in debt instruments

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Non-current</u>			
Corporate bonds	\$ 1,807,517	\$ 1,853,561	\$ 1,905,709
Government bonds	<u>75,948,995</u>	<u>313,266</u>	<u>-</u>
	<u>\$ 77,756,512</u>	<u>\$ 2,166,827</u>	<u>\$ 1,905,709</u>

Refer to Note 10 for information relating to the credit risk management and impairment of investments in debt instruments at FVTOCI.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Current</u>			
Domestic investments			
Time deposits with original maturity of more than 3 months (a)	\$ 41,233,451	\$ 102,265,050	\$ 84,696,270
Restricted bank deposits (a and b)	8,377,200	14,687,274	7,988,400
Refundable deposits	<u>1,479</u>	<u>1,212</u>	<u>1,249</u>
	<u>\$ 49,612,130</u>	<u>\$ 116,953,536</u>	<u>\$ 92,685,919</u>
<u>Non-current</u>			
Domestic investments			
Restricted bank deposits (a and b)	\$ 26,696,781	\$ 25,454,889	\$ 26,280,253
Time deposits with original maturity of more than 1 year (a)	296,424	282,072	291,640
Refundable deposits	<u>831</u>	<u>1,694</u>	<u>1,750</u>
	<u>\$ 26,994,036</u>	<u>\$ 25,738,655</u>	<u>\$ 26,573,643</u>

- a. The interest rate intervals of time deposits at the end of the reporting period

	September 30, 2023	December 31, 2022	September 30, 2022
Time deposits	1.17%~6.5%	0.93%~5.65%	0.73%~4.27%

- b. Restricted bank deposits are the time deposits held in the designated bank accounts by the Group in accordance with “The Management, Utilization, and Taxation of Repatriated Offshore Funds Act”.
- c. For information on financial assets measured at amortized cost - current pledges, please refer to Note 32.

10. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

Debt instruments invested by the Group are financial assets measured at fair value through other comprehensive income:

September 30, 2023

	Financial assets at FVTOCI
Gross carrying amount	\$ 77,791,951
Allowance for impairment loss	(35,439)
	<u>\$ 77,756,512</u>

December 31, 2022

	Financial assets at FVTOCI
Gross carrying amount	\$ 2,216,987
Allowance for impairment loss	(50,160)
	<u>\$ 2,166,827</u>

September 30, 2022

	Financial assets at FVTOCI
Gross carrying amount	\$ 1,957,568
Allowance for impairment loss	(51,859)
	<u>\$ 1,905,709</u>

The Group invests in debt instruments with credit rating information supplied by independent rating agencies. The Group continues to track external rating information to monitor changes in the credit risk of the invested debt instruments, while reviewing other information such as bond yield curves and major information of the debtors to assess whether the credit risk of debt instrument investments has increased significantly since initial recognition.

The Group takes into consideration a variety of historical default risks and loss ratios provided by external rating agencies, the debtors' current financial status and the prospect forecast for the industry where it belongs to, to measure the expected credit

loss of 12 months or the expected credit loss for the duration of the investment in debt instruments.

The credit risk rating mechanism the Group currently adopts is as follows:

Credit Rating	Definition	Recognition Basis for Expected Credit Loss
Normal	The debtor's credit risk is low, and the debtor has sufficient ability to repay the contractual cash flow	12-month expected credit losses
Abnormal	Credit risk has increased significantly since initial recognition	Expected credit loss for the duration of the debt instrument investment (without credit impairment)
Default	Evidence of credit impairment	Expected credit loss for the duration of the debt instrument investment (with credit impairment)
Offset	There is evidence that the debtor is in serious financial difficulty and that the Group has no reasonable expectation of recovery	Direct write-off

The total carrying amount and applicable expected credit loss rate for debt instrument investments of each credit rating were as follows:

September 30, 2023

Credit Rating	Expected Credit Loss Ratio	Gross Carrying Amount Measured at FVTOCI
Normal	0%	\$ 77,756,512
Abnormal	100%	35,439

December 31, 2022

Credit Rating	Expected Credit Loss Ratio	Gross Carrying Amount Measured at FVTOCI
Normal	0%	\$ 2,166,827
Abnormal	100%	50,160

September 30, 2022

Credit Rating	Expected Credit Loss Ratio	Gross Carrying Amount Measured at FVTOCI
Normal	0%	\$ 1,905,709
Abnormal	100%	51,859

In the first quarter of 2022, the military conflict between Russia and Ukraine as well as the following international sanctions increased financial uncertainty for debtors. The Group raised the expected credit loss rate considering that if the conflict continues, the probability of default would increase.

Changes in loss allowances on debt instrument investments measured at fair value through other comprehensive income were as follows:

	Credit Rating
	Abnormal (expected credit loss without credit impairment over the duration)
Balance at January 1, 2023	\$ 50,160
Derecognition	(16,956)
Changes in exchange rates	<u>2,235</u>
Balance at September 30, 2023	<u>\$ 35,439</u>
Balance at January 1, 2022	\$ -
Changes in credit rating of debt instruments recognized in the beginning of period	
- Normal to abnormal	76,671
Derecognition	(33,612)
Changes in exchange rates and others	<u>8,800</u>
Balance at September 30, 2022	<u>\$ 51,859</u>

From January 1 to September 30, 2023 and 2022, the Group sold the investments in corporate bonds measured at FVTOCI by NT\$17,256 thousand and NT\$33,049 thousand, respectively, and derecognized the loss allowance by NT\$16,956 thousand and NT\$33,612 thousand, respectively, corresponding to credit ratings.

11. TRADE RECEIVABLES AND OTHER RECEIVABLES

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 5,634,713	\$ 9,573,233	\$ 9,587,299
Less: Allowance for impairment loss	(<u>8,309</u>)	(<u>8,438</u>)	(<u>8,438</u>)
	<u>\$ 5,626,404</u>	<u>\$ 9,564,795</u>	<u>\$ 9,578,861</u>
<u>Other receivables</u>			
Interest receivable	\$ 2,425,319	\$ 808,723	\$ 660,379
Others	<u>37,512</u>	<u>34,607</u>	<u>59,251</u>
	<u>\$ 2,462,831</u>	<u>\$ 843,330</u>	<u>\$ 719,630</u>

a. Trade receivables

The average credit period for sales of goods is 30 to 180 days, and there is no interest charged on accounts receivable. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that appropriate actions are taken to recover receivables past due. In addition, the Group reviews the recoverable amount of each individual receivable at the end of the reporting period to ensure that adequate loss allowance is provided against possible irrecoverable amount. Thus, the management believes that the Group's credit risk has been significantly reduced.

The Group recognizes the loss allowance for trade receivables based on the lifetime expected credit losses (ECLs). The expected credit losses on trade receivables are calculated using a provision matrix by referring to clients' past default records and current financial status, while adjusted for industry conditions and taking into consideration the economic and industry outlook. The provision matrix determines the expected credit loss ratio based on the number of days that a trade receivable is past due, with no further client segmentation, considering there is no significant difference between the loss patterns of different customer groups.

The Group writes off a trade receivable when there is an evidence that the trade counterpart is in severe financial difficulty and there is no realistic prospect of recovery. For instance, when the trade counterpart is under liquidation, the Group writes off the underlying receivables directly, while continuing to engage in enforcement activities in an attempt to recover the receivables past due. The recovered amount is then recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

September 30, 2023

	<u>Not Past Due</u>	<u>Past Due 1 to 60 Days</u>	<u>Past Due 61 to 120 Days</u>	<u>Past Due 121 to 180 Days</u>	<u>Total</u>
Expected credit loss ratio	0%~0.087%	0%~6.346%	0%	0%~4.348%	
Gross carrying amount	\$ 5,197,195	\$ 404,976	\$ 29,216	\$ 3,326	\$ 5,634,713
Loss allowance (lifetime ECLs)	(4,509)	(3,800)	-	-	(8,309)
Amortized cost	<u>\$ 5,192,686</u>	<u>\$ 401,176</u>	<u>\$ 29,216</u>	<u>\$ 3,326</u>	<u>\$ 5,626,404</u>

December 31, 2022

	<u>Not Past Due</u>	<u>Past Due 1 to 60 Days</u>	<u>Past Due 61 to 120 Days</u>	<u>Total</u>
Expected credit loss ratio	0%~0.098%	0%	0%	
Gross carrying amount	\$ 8,613,580	\$ 901,681	\$ 57,972	\$ 9,573,233
Loss allowance (lifetime ECLs)	(8,438)	-	-	(8,438)
Amortized cost	<u>\$ 8,605,142</u>	<u>\$ 901,681</u>	<u>\$ 57,972</u>	<u>\$ 9,564,795</u>

September 30, 2022

	<u>Not Past Due</u>	<u>Past Due 1 to 60 Days</u>	<u>Past Due 61 to 150 Days</u>	<u>Total</u>
Expected credit loss ratio	0%~0.097%	0%~2.366%	0%~4.762%	
Gross carrying amount	\$ 8,669,714	\$ 814,626	\$ 102,959	\$ 9,587,299
Loss allowance (lifetime ECLs)	(8,428)	(7)	(3)	(8,438)
Amortized cost	<u>\$ 8,661,286</u>	<u>\$ 814,619</u>	<u>\$ 102,956</u>	<u>\$ 9,578,861</u>

Changes in loss allowances for trade receivables were as follows:

	<u>January 1 to September 30, 2023</u>	<u>January 1 to September 30, 2022</u>
Opening balance	\$ 8,438	\$ 57,183
Less: Actual write-off in current period	(129)	-
Less: Reversal of impairment loss in current period	-	(51,289)
Effects of foreign currency exchange differences	-	2,544
Ending balance	<u>\$ 8,309</u>	<u>\$ 8,438</u>

Trade receivable of NT\$129 thousand was written off in the period of January 1 to September 30, 2023 as a customer entered liquidation process.

b. Other receivables

No loss allowance is provided against other receivables as historical experiences suggest that the possibility of recovery for other receivables is extremely high.

12. INVENTORIES

	September 30, 2023	December 31, 2022	September 30, 2022
Merchandise	\$ 988	\$ 4,980	\$ 4,688
Finished goods	895,463	1,999,755	1,951,410
Work-in-process and semi-finished goods	681,458	955,454	1,184,634
Raw materials and supplies	459,360	432,267	538,812
	<u>\$ 2,037,269</u>	<u>\$ 3,392,456</u>	<u>\$ 3,679,544</u>

The nature of the cost of goods sold was as follows:

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Cost of inventories sold	\$ 3,342,163	\$ 5,812,255	\$10,912,611	\$14,819,731
Others	(42,282)	(98,890)	(261,799)	(245,242)
	<u>\$ 3,299,881</u>	<u>\$ 5,713,365</u>	<u>\$10,650,812</u>	<u>\$14,574,489</u>

13. SUBSIDIARY

Subsidiaries included in the consolidated financial statements

The reporting entities of the consolidated financial statements were as follows:

Investor Company	Investee	Main Business	% of Ownership			Remark
			September 30, 2023	December 31, 2022	September 30, 2022	
Catcher Technology Co., Ltd.	Nanomag International Co., Ltd.	Investing activities	100	100	100	
	Gigamag Co., Ltd.	Investing activities	100	100	100	
	Ke Yue Co., Ltd.	Investing activities	100	100	100	
	Yi Sheng Co., Ltd.	Investing activities	100	100	100	
	Yi De Co., Ltd.	Investing activities	100	100	100	
Catcher Medtech Co., Ltd.	Catcher Medtech Co., Ltd.	Manufacturing and selling medical devices	100	100	100	
	Catcher Holdings International Inc.	Investing activities	-	-	-	Note 3
	Ren He Medtech Co., Ltd.	Selling medical devices	100	-	-	Note 6
	Ren Yi Medtech Co., Ltd.	Selling medical devices	100	-	-	Note 6
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Investing activities	100	100	100	
	Stella International Co., Ltd.	Investing activities	100	100	100	
	Uranus International Co., Ltd.	Investing activities	100	100	100	
	Aquila International Co., Ltd.	Investing activities	75	75	75	
	Norma International Co., Ltd.	Investing activities	100	100	100	
	Next Level Ltd.	Investing activities	100	100	100	

Investor Company	Investee	Main Business	% of Ownership			Remark
			September 30, 2023	December 31, 2022	September 30, 2022	
Castmate International Co., Ltd.	Cor Ventures Pte. Ltd.	Investing activities	100	100	100	Note 4
	Cygnus International Co., Ltd.	Investing activities	-	100	100	
Stella International Co., Ltd.	Lyra International Co., Ltd.	Investing activities	100	100	100	
Uranus International Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied alloy products	100	100	100	
	Vito Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied alloy products	100	100	100	
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Investing activities	-	100	100	Note 5
Cepheus International Co., Ltd.	Aquila Technology (Suqian) Co., Ltd.	Manufacturing and selling varied molds and electronic components	-	-	-	Note 1
Norma International Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied alloy products	100	100	100	
	Envio Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied alloy products	100	100	100	
Gigamag Co., Ltd.	Neat Co., Ltd.	International trade	-	-	-	Note 2
Catcher Holdings International Inc.	Catcher Ventures Inc.	Investing activities	-	-	-	Note 3

Note 1: Aquila Technology (Suqian) Co., Ltd. was liquidated and canceled in February 2022.

Note 2: Neat Co., Ltd. was liquidated and canceled in May 2022.

Note 3: The Company established Catcher Holdings International Inc. and Catcher Ventures Inc. in June 2022. As of September 30, 2023, the investment funds have not been remitted.

Note 4: Cygnus International Co., Ltd. was liquidated and canceled in June 2023.

Note 5: Cepheus International Co., Ltd. was liquidated and canceled in July 2023.

Note 6: The Company established Ren He Medtech Co., Ltd. and Ren Yi Medtech Co., Ltd. in September 2023.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Investments in associates</u>			
Associates that are not individually material			
Pacific Hospital Supply Co., Ltd.	\$ 1,080,865	\$ 998,597	\$ 978,103
Bioteque Corporation	1,389,497	1,179,813	1,168,041
Smart Ecare Inc.	<u>2,825</u>	<u>2,769</u>	<u>3,363</u>
	<u>\$ 2,473,187</u>	<u>\$ 2,181,179</u>	<u>\$ 2,149,507</u>

Information about the associates that are not individually material was as follows:

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
The Group's share of:				
Current-period net profit	\$ 40,268	\$ 41,035	\$ 76,085	\$ 37,403
Other comprehensive income	<u>3,242</u>	<u>7,408</u>	<u>4,435</u>	<u>7,408</u>
Total comprehensive income	<u>\$ 43,510</u>	<u>\$ 48,443</u>	<u>\$ 80,520</u>	<u>\$ 44,811</u>

As prescribed in Note 8, the common shares of Pacific Hospital Supply Co., Ltd. and Bioteque Corporation held by the Group were transferred in June 2022 to investment accounted for using the equity method from financial assets at fair value through other comprehensive income. The Group completed the report of purchase price allocation in June 2023. The amount of depreciation and amortization needed to be provided against the fair value of the identifiable assets in the previous financial report is not significant; thus, the previous financial report was not revised.

The investment in Smart Ecare Inc. accounted for using the equity method, and its profit and loss as well as other comprehensive income shared with the Group, were calculated based on the financial reports which were not reviewed by CPAs. The management of the Group nevertheless believes this would not have a significant impact.

15. PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are used by the Group.

Please refer to Table 11 for the changes in property, plant, and equipment of the Group from January 1 to September 30 in 2023 and 2022.

The Group's property, plant, and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	20-50 Years
Mechanical and electrical power equipment	5 Years
Engineering systems	2-5 Years
Machinery and equipment	2-10 Years
Transportation equipment	5 Years
Furniture and fixtures	2-5 Years
Miscellaneous equipment	2-15 Years
Leasehold improvement	3-5 Years

All of the Group's property, plant and equipment were not pledged as collateral.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2023	December 31, 2022	September 30, 2022
Carrying amount			
Land	\$ 1,004,316	\$ 996,995	\$ 1,015,379
Buildings	-	2,337	4,821
	<u>\$ 1,004,316</u>	<u>\$ 999,332</u>	<u>\$ 1,020,200</u>
	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023
Additions to right-of-use assets			<u>\$ 11,465</u>
Depreciation charge for right-of-use assets			<u>\$ 11,724</u>
Land	\$ 6,666	\$ 6,599	\$ 19,880
Buildings	-	2,453	7,403
	<u>\$ 6,666</u>	<u>\$ 9,052</u>	<u>\$ 27,074</u>
Income from the subleasing of right-of-use assets (recognized as operating revenue)	<u>\$ -</u>	<u>\$ 199</u>	<u>\$ -</u>
			<u>\$ 965</u>

Except for the above-recognized and additional depreciation expense, there was no significant sublease and impairment of the right-of-use assets of the Group from January 1 to September 30 in 2023 and 2022, respectively.

b. Lease liabilities

	September 30, 2023	December 31, 2022	September 30, 2022
Carrying amount			
Current	<u>\$ 3,991</u>	<u>\$ 5,923</u>	<u>\$ 8,417</u>
Non-current	<u>\$ 133,121</u>	<u>\$ 126,297</u>	<u>\$ 126,073</u>

Range of discount rates for lease liabilities was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Land	0.71%~0.95%	0.71%~0.95%	0.71%~0.95%
Buildings	0.71%~0.95%	0.71%~0.95%	0.71%~0.95%

c. Material lease-in activities and terms

The Group leases certain land and buildings for the use of plants and office spaces with lease terms of 3 to 50 years. The lease contract for land located in Taiwan specifies that lease payments will be adjusted every year on the basis of changes in the announced land value prices. The lease contract for land located in China specifies that lease payments will be adjusted every year based on the lease contract. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessors' consent.

d. Other lease information

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Expenses relating to short-term leases	<u>\$ 2,293</u>	<u>\$ 1,551</u>	<u>\$ 4,171</u>	<u>\$ 3,161</u>
Expenses relating to low-value asset leases	<u>\$ 113</u>	<u>\$ 158</u>	<u>\$ 320</u>	<u>\$ 372</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 3,727</u>	<u>\$ 2,526</u>	<u>\$ 11,016</u>	<u>\$ 7,945</u>
Total cash outflow for leases			<u>\$ 23,741</u>	<u>\$ 23,841</u>

The Group has elected to apply the recognition exemption to certain asset leases which qualify as short-term leases and low-value asset leases. Thus, right-of-use assets and lease liabilities were not recognized for these leases.

17. INVESTMENT PROPERTIES

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2023	\$ 915,529	\$ 181,461	\$ 1,096,990
Additions	326,300	138,733	465,033
Property, plant and equipment	<u>193,165</u>	<u>29,673</u>	<u>222,838</u>
Balance at September 30, 2023	<u>\$ 1,434,994</u>	<u>\$ 349,867</u>	<u>\$ 1,784,861</u>
<u>Accumulated depreciation</u>			
Balance at January 1, 2023	\$ -	\$ 143,714	\$ 143,714
Depreciation expense	-	6,125	6,125
Property, plant and equipment	<u>-</u>	<u>989</u>	<u>989</u>
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 150,828</u>	<u>\$ 150,828</u>

	Land	Buildings	Total
Net amount as of January 1, 2023	<u>\$ 915,529</u>	<u>\$ 37,747</u>	<u>\$ 953,276</u>
Net amount as of September 30, 2023	<u>\$ 1,434,994</u>	<u>\$ 199,039</u>	<u>\$ 1,634,033</u>
Cost			
Balance at January 1, 2022	\$ 203,363	\$ 155,287	\$ 358,650
Property, plant and equipment	<u>507,107</u>	<u>25,929</u>	<u>533,036</u>
Balance at September 30, 2022	<u>\$ 710,470</u>	<u>\$ 181,216</u>	<u>\$ 891,686</u>
Accumulated depreciation			
Balance at January 1, 2022	\$ -	\$ 137,085	\$ 137,085
Depreciation expense	-	4,357	4,357
Property, plant and equipment	<u>-</u>	<u>691</u>	<u>691</u>
Balance at September 30, 2022	<u>\$ -</u>	<u>\$ 142,133</u>	<u>\$ 142,133</u>
Net amount as of September 30, 2022	<u>\$ 710,470</u>	<u>\$ 39,083</u>	<u>\$ 749,553</u>

Depreciation of investment properties are calculated using the straight-line method over their estimated useful lives as follows:

Main buildings	20-35 Years
Elevators	15 Years
Heat dissipation system	5 Years

The COVID-19 pandemic severely affected the market and economy in 2021, the Group thus agreed with no conditions to defer the rental collection for the period between June 5, 2021 and December 5, 2021 to the period between December 5, 2021 and June 5, 2022.

The fair value of the investment properties of the Group is measured by an independent appraiser on each reporting date using Level 3 inputs and is assessed by the management of the Group with reference to the market evidences associated with the prices of similar property transactions. The fair value is as below:

	September 30, 2023	December 31, 2022	September 30, 2022
Fair value	<u>\$ 2,725,333</u>	<u>\$ 1,625,279</u>	<u>\$ 856,446</u>

All of the Group's investment properties were not pledged as collateral.

The investment properties are leased for a period between February 2017 and August 2027. The lessees agree to extend lease contracts with the rental adjusted based on market conditions. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the leasing periods.

The lease payment receivables for investment properties under an operating lease were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Year 1	\$ 35,739	\$ 28,994	\$ 25,598
Year 2	33,452	29,174	26,114
Year 3	24,923	27,266	25,838
Year 4	11,232	21,480	21,480
Year 5	-	5,862	11,235
More than 5 years	-	-	-
	<u>\$ 105,346</u>	<u>\$ 112,776</u>	<u>\$ 110,265</u>

18. INTANGIBLE ASSETS

	September 30, 2023	December 31, 2022	September 30, 2022
Computer software	\$ 8,197	\$ 10,052	\$ 13,848
Technical skills	4,745	12,655	15,291
	<u>\$ 12,942</u>	<u>\$ 22,707</u>	<u>\$ 29,139</u>

Except for the recognition of amortization expenses, there was no significant increase, disposal or impairment of the intangible assets of the Group from January 1 to September 30 in 2023 and 2022, respectively. The above intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	2-10 Years
Technical skills	5 Years

19. OTHER ASSETS

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Current</u>			
Office supplies	\$ 88,205	\$ 139,116	\$ 157,259
Prepaid expenses	76,629	88,496	74,734
Net input VAT	33,228	68,507	118,120
Others	2,234	13,266	3,750
	<u>\$ 200,296</u>	<u>\$ 309,385</u>	<u>\$ 353,863</u>
<u>Non-current</u>			
Prepaid equipment	\$ 107,803	\$ 99,896	\$ 48,613
Others	1,269	2,685	532
	<u>\$ 109,072</u>	<u>\$ 102,581</u>	<u>\$ 49,145</u>

20. SHORT-TERM BORROWINGS

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Unsecured borrowings</u>			
Unsecured bank loans	\$ 70,866,879	\$ 43,696,000	\$ 71,737,726
<u>Secured borrowings (Note 32)</u>			
Secured bank loans	7,000,000	13,000,000	7,000,000
	<u>\$ 77,866,879</u>	<u>\$ 56,696,000</u>	<u>\$ 78,737,726</u>

The range of interest rates for short-term borrowings was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank loans	1.60%~2.80%	1.30%~1.98%	0.89%~1.58%
Secured bank loans	1.53%	1.30%~1.56%	1.05%

21. TRADE PAYABLES

Trade payables resulted from operating activities.

The Group has stipulated financial risk management policies in place to ensure that all payables are paid in accordance with the pre-agreed credit terms.

22. OTHER LIABILITIES

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Current</u>			
Other payables			
Payables for employees' compensation	\$ 1,614,688	\$ 2,067,335	\$ 2,206,504
Payables for technical service fees	1,330,099	1,514,632	1,594,582
Payables for salaries and bonuses	610,584	957,089	875,297
Payables for office supplies	112,296	131,403	131,308
Payables for unused annual leave	118,406	126,278	136,453
Payables for utilities	47,725	61,780	73,017
Payables for taxes	67,972	63,620	81,659
Payables for purchases of equipment	61,555	59,628	57,302
Payables for meals	15,736	32,252	41,185
Payables for maintenance	41,372	31,899	40,976
Payables for shipping and warehousing expenses	25,517	36,335	44,880
Payables for professional service fees	17,672	15,705	17,578
Payables for interest	30,940	23,099	23,508
Payables for securities settlement	32,042	-	-
Payables for bonds settlement	3,166,032	315,941	-
Others	178,433	249,599	341,111
	<u>\$ 7,471,069</u>	<u>\$ 5,686,595</u>	<u>\$ 5,665,360</u>
Other liabilities			
Advance payment	\$ 844,487	\$ 808,763	\$ 846,055
Guarantee deposits received	21,256	21,920	23,586
Payables for value-added tax	2,947	6,247	63,216
Others	8,652	19,754	12,648
	<u>\$ 877,342</u>	<u>\$ 856,684</u>	<u>\$ 945,505</u>
<u>Non-current</u>			
Other liabilities			
Guarantee deposits received	<u>\$ 12,965</u>	<u>\$ 10,036</u>	<u>\$ 9,536</u>

23. RETIREMENT BENEFIT PLANS

The pension expenses related to the defined benefit plan recognized from July 1 to September 30, 2023 and 2022 and from January 1 to September 30, 2023 and 2022 are calculated based on the pension cost ratio actuarially determined on December 31, 2022 and 2021, and the amounts are NT\$459 thousand, NT\$557 thousand, NT\$1,520 thousand and NT\$1,670 thousand, respectively.

24. EQUITY

a. Share capital

1) Ordinary shares

	September 30, 2023	December 31, 2022	September 30, 2022
Number of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Authorized capital	<u>\$10,000,000</u>	<u>\$10,000,000</u>	<u>\$10,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>680,364</u>	<u>714,467</u>	<u>714,467</u>
Shares issued	<u>\$ 6,803,641</u>	<u>\$ 7,144,671</u>	<u>\$ 7,144,671</u>

Fully paid ordinary shares with a par value of NT\$10 carry one vote per share and carry a right to dividends.

On February 24, 2022, the Board of Directors approved a capital reduction to cancel the Company's 31,865 thousand treasury shares and fixed the record date at February 28, 2022. The Company's paid-in capital was \$7,297,531 thousand after the capital reduction.

On August 8, 2022, the Board of Directors approved a capital reduction to cancel the Company's 15,286 thousand treasury shares and fixed the record date at August 12, 2022. The Company's paid-in capital was \$7,144,671 thousand after the capital reduction.

On April 18, 2023, the Board of Directors approved a capital reduction to cancel the Company's 34,103 thousand treasury shares and fixed the record date at April 20, 2023. The Company's paid-in capital was \$6,803,641 thousand after the capital reduction.

A total of 23,000 thousand shares of the Company's authorized shares were reserved for the issuance of employee stock options.

2) Global depositary receipts

In June 2011, the Company increased its capital through a cash infusion by participating in the issuance of 6,700 thousand units of Global Depositary Receipts (GDRs), with each unit representing 5 ordinary shares of the Company, resulting in a total of 33,500 thousand ordinary shares issued.

According to the regulations of the competent authority, the holder of depositary receipts may request to redeem and circulate the depositary receipts in the domestic securities exchange market, and foreign investors

may request to reissue depositary receipts within the scope of the original issuance amount. As of September 30, 2023, December 31, 2022 and September 30, 2022, the outstanding GDRs were 21 thousand, 21 thousand and 311 thousand units respectively, equivalent to approximately 104 thousand, 107 thousand and 1,557 thousand common shares respectively.

b. Capital surplus

	September 30, 2023	December 31, 2022	September 30, 2022
<u>May be used to offset deficits, distributed as cash dividends, or transferred to share capital (Note)</u>			
Additional paid-in capital	\$ 6,588,483	\$ 6,918,728	\$ 6,918,728
Conversion premium	11,282,157	11,847,671	11,847,671
<u>May only be used to offset deficits</u>			
Donations from shareholders	6,123	5,135	5,135
	<u>\$17,876,763</u>	<u>\$18,771,534</u>	<u>\$18,771,534</u>

Note: The capital surplus may be used to offset deficits, or may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's paid-in capital and executed once a year) when the Company has no deficits.

c. Retained earnings and dividends policy

In accordance with the profit distribution policy as set forth in the Company's Articles of Incorporation, profit distribution or offsetting of deficits shall be made at the end of every six months of a fiscal year. When the Company makes profits in the first half of a fiscal year, the profits shall be appropriated in the following ways:

- 1) To pay taxes,
- 2) To offset cumulative deficits,
- 3) To estimate compensation of employees and remuneration of directors,
- 4) To set aside 10% of the profits as legal reserve, unless the cumulative legal reserve equals the Company's paid-in capital,
- 5) To set aside or reverse special reserve in accordance with the pertinent laws or operational needs, and
- 6) The Company's Board of Directors shall propose a plan to distribute any remaining profits together with cumulative retained earnings and retained earnings for the current period. For distribution in new shares, the proposal shall be approved at a shareholders' meeting. For distribution in cash, it shall be approved at the Board meeting.

When the Company makes profits in a fiscal year, the profits shall be appropriated in the following ways:

- 1) To pay taxes,
- 2) To offset cumulative deficits,
- 3) To set aside 10% of the profits as legal reserve, unless the cumulative legal reserve equals the Company's paid-in capital,
- 4) To set aside or reverse special reserve in accordance with the pertinent laws or operational needs, and
- 5) The Company's Board of Directors shall propose a plan to distribute any remaining profits together with cumulative retained earnings and retained earnings for the current period. For distribution in new shares, the proposal shall be approved at a shareholders' meeting.

The Company is still in the growing stage and continues to expand its operations with due consideration of the viability of the economic situation. The Board of Directors shall focus on growing dividends in a stable manner when proposing the earnings distribution plan. However, cash dividends shall not be less than 10% of total dividends, and stock dividends shall be distributed if the cash dividends per share is less than NT\$0.5.

For the policies on the distribution of the compensation of employees and remuneration of directors, please refer to "Compensation of employees and remuneration of directors" in Note 26 (h).

The legal reserve may be used to offset deficits. Where there is no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2022 and 2021 were as follows:

	2022	2021
Legal reserve	\$ <u>523,797</u>	\$ <u>857,386</u>
Reversal of special reserve	(\$ <u>14,716,983</u>)	\$ <u>2,567,156</u>
Cash dividends	\$ <u>6,803,641</u>	\$ <u>7,297,531</u>
Cash dividends per share (NT\$)	\$ 10	\$ 10

The Company's Board of Directors resolved on April 18, 2023 and April 6, 2022, respectively, to distribute cash dividends; the distributions of other retained earnings were also resolved at the shareholders' meetings on May 30, 2023 and May 27, 2022, respectively.

The Company's earnings distribution plan and per share cash dividend for the first half of 2023 have been resolved by the Board of Directors as follows:

	January 1 to June 30, 2023
Resolution date of the Board of Directors	November 10, 2023
Legal reserve	\$ <u>23,665</u>
Reversal of special reserve	(\$ <u>1,698,580</u>)
Cash dividends	\$ <u>3,401,820</u>
Cash dividends per share (NT\$)	\$ 5

d. Other equity

- 1) Exchange differences from translating the financial statements of foreign operations

	January 1 to September 30, 2023	January 1 to September 30, 2022
Opening balance	(\$ 2,001,758)	(\$ 16,859,133)
Exchange differences from translating the financial statements of foreign operations	6,787,630	19,152,963
Share of differences of associates accounted for using the equity method	<u>4,435</u>	<u>7,408</u>
Ending balance	<u>\$ 4,790,307</u>	<u>\$ 2,301,238</u>

- 2) Unrealized valuation gain (loss) on financial assets classified as FVTOCI

	January 1 to September 30, 2023	January 1 to September 30, 2022
Opening balance	(\$ 242,726)	(\$ 102,333)
Unrealized gain (loss)		
Equity instruments	10,967	(23,809)
Debt instruments	(6,582,997)	(310,642)
Reclassification adjustment		
Disposal of debt instruments	18,193	209,432
Cumulative gain (loss) from disposing of equity instruments transferred to retained earnings	<u>224</u>	(<u>28,778</u>)
Ending balance	(<u>\$ 6,796,339</u>)	(<u>\$ 256,130</u>)

e. Non-controlling interests

	January 1 to September 30, 2023	January 1 to September 30, 2022
Opening balance	\$ 11,043	\$ 49,589
Current-period net profit (loss)	395	(6,017)
Other comprehensive income in the current period		
Exchange differences from translating the financial statements of foreign operations	577	4,925
Distribution of earnings from subsidiaries	<u>-</u>	(<u>37,157</u>)
Ending balance	<u>\$ 12,015</u>	<u>\$ 11,340</u>

f. Treasury shares

Purpose of Buy-back	Shares Cancelled (In Thousands of Shares)
Number of shares at January 1, 2023	-
Increase in current period	34,103
Cancelled in current period (Note 24)	<u>34,103</u>
Number of shares at September 30, 2023	<u>-</u>
Number of shares at January 1, 2022	21,567
Increase in current period	25,584
Cancelled in current period (Note 24)	<u>47,151</u>
Number of shares at September 30, 2022	<u>-</u>

To maintain the Company's credit and shareholders' equity, on December 8, 2021, the Company's Board of Directors resolved to buy back 25,000 thousand shares from December 9, 2021 to February 8, 2022 at a price ranging from NT\$106.80 per share to NT\$238.50 per share. The Company will continue to buy back shares when the market price falls below the lower limit of the price range. At the end of the exercise period, a total of 16,332 thousand shares were repurchased at a total cost of NT\$2,560,844 thousand.

To maintain the Company's credit and shareholders' equity, on April 6, 2022, the Company's Board of Directors resolved to buy back 25,000 thousand shares from April 7, 2022 to June 6, 2022 at a price ranging from NT\$102.20 per share to NT\$220.50 per share. The Company will continue to buy back shares when the market price falls below the lower limit of the price range. At the end of the exercise period, a total of 15,286 thousand shares were repurchased at a total cost of NT\$2,307,209 thousand.

To maintain the Company's credit and shareholders' equity, on January 31, 2023, the Company's Board of Directors resolved to buy back 36,000 thousand shares from February 1, 2023 to March 31, 2023 at a price ranging from NT\$124.60 per share to NT\$262.50 per share. The Company will continue to buy back shares when the market price falls below the lower limit of the price range. At the end of the exercise period, the Company bought back 34,103 thousand shares at a total cost of NT\$6,366,835 thousand.

In accordance with the Securities and Exchange Act, treasury shares shall not exceed 10% of the Company's issued and outstanding shares, and the total amount of treasury shares shall not exceed total retained earnings plus additional paid-in capital and realized capital reserve.

In accordance with the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

25. REVENUE

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Revenue from contracts with customers				
Metal casing and interior structured parts				
Sales revenue	\$ 4,323,479	\$ 8,670,347	\$14,738,002	\$21,161,136
Rental income	9,805	4,678	24,972	13,273
Revenue from the rendering of services	-	-	3,810	-
	<u>\$ 4,333,284</u>	<u>\$ 8,675,025</u>	<u>\$14,766,784</u>	<u>\$21,174,409</u>

a. Contract information

The Group sells metal casing to customers. All goods are sold at respective fixed amounts as agreed in the contracts.

b. Contract balances

	September 30, 2023	December 31, 2022	September 30, 2022	January 1, 2022
Trade receivables				
Gross carrying amount	\$5,634,713	\$9,573,233	\$9,587,299	\$9,722,596
Less: Allowance for impairment loss	(8,309)	(8,438)	(8,438)	(57,183)
	<u>\$5,626,404</u>	<u>\$9,564,795</u>	<u>\$9,578,861</u>	<u>\$9,665,413</u>
Contract liabilities - current				
Sale of goods	\$ 47,964	\$ 42,803	\$ 73,204	\$ 32,742

26. NET PROFIT

a. Interest income

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Bank deposits	\$1,942,426	\$1,476,297	\$6,077,108	\$2,160,595
Investments in debt instruments at FVTOCI	752,906	30,461	1,410,736	113,396
Repurchase agreements	67	439	170	3,161
	<u>\$2,695,399</u>	<u>\$1,507,197</u>	<u>\$7,488,014</u>	<u>\$2,277,152</u>

b. Other income

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Government grants	\$ 4,943	\$ 43,348	\$ 620,324	\$ 852,824
Recycling income	8,452	7,836	45,487	46,686
Dividend income	69,623	46,673	69,623	97,883
Other income	2,794	1,061	4,948	4,430
	<u>\$ 85,812</u>	<u>\$ 98,918</u>	<u>\$ 740,382</u>	<u>\$1,001,823</u>

c. Other gains and losses

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Gain (loss) on financial assets at FVTPL	\$ 8,922	(\$ 67,245)	\$ 48,008	(\$ 971,055)
Loss from liquidation of subsidiaries	-	-	-	(9,883)
Gain (loss) from disposal of investment in debt instruments at FVTOCI	16,001	(101,678)	(1,237)	(175,820)
Others	<u>12,866</u>	<u>15,992</u>	<u>90,849</u>	<u>45,132</u>
	<u>\$ 37,789</u>	<u>(\$ 152,931)</u>	<u>\$ 137,620</u>	<u>(\$ 1,111,626)</u>

d. Interest expense

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Interest on bank loans	\$ 326,150	\$ 202,674	\$ 846,482	\$ 473,832
Interest on lease liabilities	<u>243</u>	<u>245</u>	<u>720</u>	<u>741</u>
	<u>\$ 326,393</u>	<u>\$ 202,919</u>	<u>\$ 847,202</u>	<u>\$ 474,573</u>

e. Depreciation and amortization

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Depreciation by function				
Operating costs	\$ 610,850	\$ 724,283	\$ 1,881,608	\$ 2,329,854
Operating expenses	<u>83,519</u>	<u>102,593</u>	<u>260,812</u>	<u>310,586</u>
	<u>\$ 694,369</u>	<u>\$ 826,876</u>	<u>\$ 2,142,420</u>	<u>\$ 2,640,440</u>
Amortization by function				
Operating costs	\$ 797	\$ 3,385	\$ 2,015	\$ 11,396
Operating expenses	<u>5,646</u>	<u>8,008</u>	<u>16,914</u>	<u>24,907</u>
	<u>\$ 6,443</u>	<u>\$ 11,393</u>	<u>\$ 18,929</u>	<u>\$ 36,303</u>

f. Operating expenses directly related to investment properties

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Direct operating expenses from investment properties generating rental income	<u>\$ 3,428</u>	<u>\$ 2,709</u>	<u>\$ 9,109</u>	<u>\$ 6,713</u>

g. Employee benefits

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Short-term employee benefits	\$1,352,400	\$2,169,064	\$4,652,659	\$6,354,362
Retirement benefits				
Defined contribution plan	99,375	145,320	336,569	404,417
Defined benefit plan (Note 23)	<u>459</u>	<u>557</u>	<u>1,520</u>	<u>1,670</u>
	<u>99,834</u>	<u>145,877</u>	<u>338,089</u>	<u>406,087</u>
	<u>\$1,452,234</u>	<u>\$2,314,941</u>	<u>\$4,990,748</u>	<u>\$6,760,449</u>
By function				
Operating costs	\$ 977,684	\$1,758,934	\$3,520,725	\$5,037,909
Operating expenses	<u>474,550</u>	<u>556,007</u>	<u>1,470,023</u>	<u>1,722,540</u>
	<u>\$1,452,234</u>	<u>\$2,314,941</u>	<u>\$4,990,748</u>	<u>\$6,760,449</u>

h. Compensation of employees and remuneration of directors

The Company allocates the compensation of employees and remuneration of directors at the rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax and before allocating the compensation of employees and remuneration of directors. Estimated compensation of employees and remuneration of directors from July 1 to September 30, 2023 and 2022, and January 1 to September 30, 2023 and 2022 were as follows:

Accrual rate

	January 1 to September 30, 2023	January 1 to September 30, 2022
Compensation of employees	1.00%	1.00%
Remuneration of directors	0.11%	0.11%

Amount

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Compensation of employees	<u>\$ 59,515</u>	<u>\$ 59,717</u>	<u>\$127,923</u>	<u>\$126,175</u>
Remuneration of directors	<u>\$ 4,550</u>	<u>\$ 4,550</u>	<u>\$ 13,650</u>	<u>\$ 13,650</u>

If there are changes in the amounts after the annual consolidated financial statements are authorized for issue, the differences will be recorded as a change in the accounting estimate for the next year.

The compensation of employees and remuneration of directors for the years ended December 31, 2022 and 2021, approved by the Company's Board of Directors on February 23, 2023 and February 24, 2022, respectively, were as follows:

	2022		2021	
	Cash	Shares	Cash	Shares
Compensation of employees	<u>\$155,823</u>	\$ -	<u>\$521,976</u>	\$ -
Remuneration of directors	<u>\$ 18,200</u>	-	<u>\$ 16,400</u>	-

There was no difference between the actual amount of compensation of employees and remuneration of directors paid and the amount recognized in the consolidated financial statements for the years ended December 31, 2022 and 2021.

Information on the compensation of employees and remuneration of directors resolved by the Company's Board of Directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

i. Foreign exchange gains (losses), net

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Foreign exchange gains	\$ 3,536,429	\$ 5,934,153	\$ 7,610,202	\$ 15,460,732
Foreign exchange losses	(1,028,158)	(413,219)	(3,368,682)	(4,473,731)
Net income (loss)	<u>\$ 2,508,271</u>	<u>\$ 5,520,934</u>	<u>\$ 4,241,520</u>	<u>\$ 10,987,001</u>

27. TAXATION

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Current tax				
Tax recognized in the current period	\$1,598,111	\$1,529,663	\$2,804,922	\$2,461,519
Repatriated earnings	811,339	-	811,339	-
Tax on unappropriated earnings	-	-	916,025	-
Adjustment for prior years	<u>1,338</u>	<u>-</u>	<u>73,252</u>	<u>(70,973)</u>
	<u>2,410,788</u>	<u>1,529,663</u>	<u>4,605,538</u>	<u>2,390,546</u>
Deferred tax				
Tax recognized in the current period	(1,632,760)	<u>2,147,721</u>	(1,048,156)	<u>3,251,690</u>
Income tax expense recognized in profit or loss	<u>\$ 778,028</u>	<u>\$3,677,384</u>	<u>\$3,557,382</u>	<u>\$5,642,236</u>

The applicable corporate income tax rate adopted by the Group is 20%; the tax rate applicable to the subsidiaries in China is 25%; the tax amount incurred in other jurisdictions is calculated based on the applicable tax rate of each relevant jurisdiction.

b. Income tax assessment

The corporate income taxes declared by the Company and its subsidiaries Ke Yue, Yi Sheng and Yi De have all been approved by the tax collection authority until the end of 2021.

28. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net profit

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Profit for the year attributable to owners of the Company	<u>\$ 4,485,659</u>	<u>\$ 5,046,284</u>	<u>\$ 9,852,579</u>	<u>\$10,615,903</u>

Number of shares

In thousand shares

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Weighted average number of ordinary shares in computation of basic earnings per share	680,364	714,467	688,541	722,184
Potential dilution of ordinary shares:				
Compensation of employees	<u>701</u>	<u>732</u>	<u>864</u>	<u>1,428</u>
Weighted average number of ordinary shares in computation of diluted earnings per share	<u>681,065</u>	<u>715,199</u>	<u>689,405</u>	<u>723,612</u>

The Company may settle compensation paid to employees in cash or shares; therefore, the Company may assume that the compensation will be settled in shares and include the potentially dilutive ordinary shares in the weighted average number of shares outstanding when computing the diluted earnings per share. When computing the diluted earnings per share before determining the compensation paid to employees in shares in the following year, the Group shall continuously take into consideration the potential dilution of the ordinary shares.

29. CAPITAL MANAGEMENT

The Group requires significant amount of capital to build and expand its manufacturing facilities and equipment. The Group manages its capital in a manner to ensure that it has sufficient and necessary financial resources to fund its working capital in need, capital expenditure, research and development activities, debt service requirements, dividend distribution and other business requirements associated with its existing operations over the next 12 months.

30. FINANCIAL INSTRUMENTS

a. Financial instruments not measured at fair value

The carrying amounts of financial instruments not measured at fair value were recognized to reasonably approximate their fair value; these financial instruments include cash and cash equivalents, financial assets at amortized cost, accounts receivable, other receivables, refundable deposits, short-term borrowings,

accounts payable, other payables, dividends payable, and guarantee deposits received.

b. Financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

September 30, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Listed shares and emerging market shares	\$ 142,666	\$ -	\$ -	\$ 142,666
Beneficiary certificates	294,567	-	-	294,567
Private equity fund	-	-	1,322,997	1,322,997
Limited partnerships	-	-	264,608	264,608
	<u>\$ 437,233</u>	<u>\$ -</u>	<u>\$1,587,605</u>	<u>\$2,024,838</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares and emerging market shares	\$2,182,787	\$ -	\$ -	\$2,182,787
Stock not listed on the exchange, OTC, or emerging market	-	-	51,240	51,240
Foreign listed stocks	44,855	-	-	44,855
Limited partnerships	-	-	1,595,425	1,595,425
Investments in debt instruments				
Bonds	-	77,756,512	-	77,756,512
	<u>\$2,227,642</u>	<u>\$77,756,512</u>	<u>\$1,646,665</u>	<u>\$81,630,819</u>

December 31, 2022

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Listed shares and emerging market shares	\$ 189,736	\$ -	\$ -	\$ 189,736
Private equity fund	-	-	1,026,794	1,026,794
Private equity securities	-	-	22,309	22,309
Limited partnerships	-	-	249,141	249,141
	<u>\$ 189,736</u>	<u>\$ -</u>	<u>\$1,298,244</u>	<u>\$1,487,980</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares and emerging market shares	\$ 143,609	\$ -	\$ -	\$ 143,609
Stock not listed on the exchange, OTC, or emerging market	-	-	57,330	57,330
Limited partnerships	-	-	1,285,544	1,285,544
Investments in debt instruments				
Bonds	-	2,166,827	-	2,166,827
	<u>\$ 143,609</u>	<u>\$2,166,827</u>	<u>\$1,342,874</u>	<u>\$3,653,310</u>

September 30, 2022

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Listed shares and emerging market shares	\$ 848,593	\$ -	\$ -	\$ 848,593
Beneficiary certificates	53,243	-	-	53,243
Simple Agreement for Future Equity (SAFE)	-	-	85,725	85,725
Private equity fund	-	-	1,129,497	1,129,497
Private equity securities	-	-	31,573	31,573
Limited partnerships	-	-	150,814	150,814
	<u>\$ 901,836</u>	<u>\$ -</u>	<u>\$1,397,609</u>	<u>\$2,299,445</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Listed shares and emerging market shares	\$ 115,183	\$ -	\$ -	\$ 115,183
Stock not listed on the exchange, OTC, or emerging market	-	-	55,020	55,020
Limited partnerships	-	-	938,764	938,764
Investments in debt instruments				
Bonds	-	1,905,709	-	1,905,709
	<u>\$ 115,183</u>	<u>\$1,905,709</u>	<u>\$ 993,784</u>	<u>\$3,014,676</u>

There were no transfers between Level 1 and Level 2 fair value measurements during the period from January 1 to September 30, 2023 and 2022, respectively.

2) Reconciliation of Level 3 fair value measurements of financial instruments January 1 to September 30, 2023

	Financial assets at FVTPL	Financial assets at FVTOCI	
Financial assets	Equity Instruments	Equity Instruments	Total
Opening balance	\$ 1,298,244	\$ 1,342,874	\$ 2,641,118
Purchases	199,254	167,949	367,203
Recognized in profit or loss (included in other gains and losses)	72,157	-	72,157
Recognized in other comprehensive income (unrealized valuation gain (loss) on financial assets at FVTOCI)	-	54,703	54,703
Disposals	(45,180)	-	(45,180)
Effects of foreign currency exchange differences	63,130	81,139	144,269
Ending balance	<u>\$ 1,587,605</u>	<u>\$ 1,646,665</u>	<u>\$ 3,234,270</u>

January 1 to September 30, 2022

	Financial assets at FVTPL	Financial assets at FVTOCI	
	Equity	Equity	
Financial assets	Instruments	Instruments	Total
Opening balance	\$ 958,795	\$ 859,146	\$ 1,817,941
Purchases	363,423	-	363,423
Recognized in profit or loss (included in other gains and losses)	(70,151)	-	(70,151)
Recognized in other comprehensive income (included in unrealized valuation gain (loss) on financial assets at FVTOCI)	-	11,087	11,087
Effects of foreign currency exchange differences	145,542	123,551	269,093
Ending balance	<u>\$ 1,397,609</u>	<u>\$ 993,784</u>	<u>\$ 2,391,393</u>

- 3) Valuation techniques and assumptions applied to Level 2 fair value measurements.

Overseas government bonds are measured using the quoted market prices provided by the third party.

- 4) Valuation techniques and inputs applied to Level 3 fair value measurement

The fair value of unlisted domestic equity securities, limited partnerships, private equity securities and SAFE investments was estimated using the market approach or based on the most recent net worth of the investees. When adopting the market approach, the selling prices of comparable companies were used to compare, analyze, and adjust to derive the fair value of the investees. The fair value of private equity funds was estimated using the asset approach. The fair value of private equity funds was estimated using the asset approach.

c. Categories of financial instruments

	September 30, 2023	December 31, 2022	September 30, 2022
<u>Financial assets</u>			
Financial assets measured at FVTPL			
Mandatorily measured at FVTPL	\$ 2,024,838	\$ 1,487,980	\$ 2,299,445
Financial assets measured at amortized cost (Note 1)	154,407,152	210,629,685	236,469,616
Financial assets measured at FVTOCI			
Investments in equity instruments	3,874,307	1,486,483	1,108,967
Investments in debt instruments	77,756,512	2,166,827	1,905,709
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost (Note 2)	87,041,780	65,135,010	87,451,264

Note 1: The balance refers to financial assets measured at amortized cost including cash and cash equivalents, trade receivable, and other receivables.

Note 2: The balance refers to financial liabilities measured at amortized cost, including short-term borrowings, trade payables, other payables, and guarantee deposits received (classified as other current liabilities and other non-current liabilities).

d. Objectives and policies of financial risk management

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables, borrowings, and lease liabilities. The Group's Finance Department serves various business units, coordinates access to and operations in the domestic and international financial markets, and monitors as well as manages the financial risks relating to operations based on the internal risk reports analyzing the risk exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group undertakes material financial activities approved by the Board of Directors in accordance with relevant laws and regulations and internal control mechanism, with policy compliance and limit of risk exposure continuously reviewed by internal auditors. The Group does not trade financial instruments, including financial derivative instruments, for speculative purposes.

1) Market risk

The Group's operational activities are exposed primarily to the financial risks of movement in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other price risks (see (c) below).

There has been no change to the Group's exposure to the market risks of financial instruments or the manner in which these risks were managed and measured.

a) Foreign currency risk

Engaging in foreign currency-denominated sales and purchases, the Group is exposed to foreign currency risk.

Refer to Note 34 for the carrying amounts of the Group's non-functional currency-denominated monetary assets and monetary liabilities (including the non-functional currency-denominated monetary items eliminated on consolidation) at the end of the reporting period.

Sensitivity analysis

The Group was mainly exposed to the US dollar (USD) and the renminbi (RMB).

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (NTD, the functional currency) against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency-denominated

monetary items. A positive number below indicates an increase in profit before income tax that would result from the depreciation of the NTD by 1% against the relevant foreign currencies. When the NTD appreciates by 1% against the relevant foreign currencies, there would be an equal and opposite impact on profit before income tax, with the balances below turning to negative.

	USD Impact	
	January 1 to September 30, 2023	January 1 to September 30, 2022
Income (loss)	\$ 976,202	\$ 870,737

	RMB Impact	
	January 1 to September 30, 2023	January 1 to September 30, 2022
Income (loss)	(\$ 549)	(\$ 641)

The aforementioned foreign currency-denominated monetary assets or liabilities are mainly the Group's outstanding exposure to USD-denominated and RMB-denominated cash and cash equivalents, financial assets at amortized cost, as well as receivables and payables, without cash flow hedge, at the end of the reporting period.

The increase and decrease in the sensitivity of the Group to the exchange rates of USD and RMB during the current period was mainly due to the increase and the decrease in the net assets denominated in USD and RMB. The Group's management believes that the sensitivity analysis cannot represent the inherent risk of exchange rates, because the foreign currency exposure at the reporting date does not reflect the mid-term risk exposure, where the USD-denominated sales revenue would vary along with customer orders and investment assets.

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The Group manages interest rate risk by maintaining an appropriate mix of assets and liabilities at both fixed and floating interest rates.

The carrying amounts of the Group's financial assets and liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Interest rate risk with fair value			
Financial assets	\$217,664,966	\$191,588,559	\$224,075,993
Financial liabilities	137,112	132,220	134,490
Interest rate risk with cash flow			
Financial assets	6,405,523	10,794,953	3,995,798
Financial liabilities	77,866,879	56,696,000	78,737,726

Sensitivity analysis

The sensitivity analysis below was conducted based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. Analysis for the liabilities with floating interest rates was conducted assuming that the amount of the outstanding liabilities at the reporting date was outstanding for the reporting period.

If interest rates move 10 basis points higher/lower with all other variables held constant, the Group's profit before income tax for the period from January 1 to September 30 in 2023 and 2022 would decrease/increase by NT\$53,596 thousand and NT\$56,056 thousand, respectively. The change would have been mainly attributable to the Group's exposure to interest rate risk associated with the cash flow from its variable-rate bank borrowings.

c) Other price risks

The Group was exposed to equity price risk due to its investment in listed equity securities and beneficial certificates of mutual funds. The Group has managed the underlying risks via holding different investment portfolios and asset allocation.

Sensitivity analysis

The sensitivity analysis below was conducted based on the exposure to equity price risks at the end of the reporting period.

If the equity price increases/decreases by 1%, the Group's profit before tax for the period from January 1 to September 30 in 2023 and 2022 would increase/decrease by NT\$20,248 thousand and NT\$9,018 thousand, respectively, due to the increase/decrease in the fair value of financial assets measured at fair value through profit and loss (FVTPL), and its other comprehensive profit and loss before tax for the period from January 1 to September 30 in 2023 and 2022 will increase/decrease by NT\$38,743 thousand and NT\$1,152 thousand, respectively, due to the increase/decrease in the fair value of financial assets measured at fair value through other comprehensive income (FVTOCI).

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which could cause a financial loss to the Group due to the failure of a counterparty to discharge an obligation, could at most amount to the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

The counterparties to the foregoing financial instruments are reputable business organizations. Management does not expect the Group's exposure to default by those parties to be material; credit evaluations have been

constantly performed on the financial conditions of customers with whom the Group has trade receivables.

Receivables with significantly concentrated credit risk were as follows:

	<u>September 30, 2023</u>		<u>December 31, 2022</u>		<u>September 30, 2022</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Customer A	\$1,995,820	35	\$4,126,487	43	\$3,999,489	42
Customer B	778,618	14	2,324,628	24	1,813,274	19
Customer C	984,662	17	1,397,179	15	1,795,004	19
Customer D	781,942	14	550,548	6	16,704	0
Customer E	621,826	11	573,473	6	826,930	9

3) Liquidity risk

The Group manages liquidity risk by maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the impact of fluctuations in cash flows. Management monitors the utilization of bank facilities and ensures to comply with the terms of covenants.

The Group's operating funds and bank facilities are deemed sufficient for future operations; therefore, there is no liquidity risk where the Group is unable to raise funds to fulfill its contractual obligations.

a) Liquidity and interest rate risks for non-derivative financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table was created based on the undiscounted cash flows of financial liabilities (including both principal and estimated interest) from the earliest date on which the Group would be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability that the banks would choose to exercise their rights. The maturity analysis for other non-derivative financial liabilities was conducted based on the agreed repayment dates.

Where interest cash flows are paid at floating rates, the undiscounted interest was derived based on the yield curve at the reporting date.

September 30, 2023

	<u>Less than 3 Months</u>	<u>3 Months to 1 Year</u>	<u>1-5 Years</u>	<u>Over 5 Years</u>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$8,463,053	\$ 698,883	\$ 12,965	\$ -
Lease liabilities	-	4,951	19,802	125,979
Variable interest rate instruments	75,780,073	-	-	-
Fixed interest rate instruments	<u>888,276</u>	<u>2,447,341</u>	<u>-</u>	<u>-</u>
	<u>\$85,131,402</u>	<u>\$3,151,175</u>	<u>\$ 32,767</u>	<u>\$ 125,979</u>

Maturity analysis of the aforementioned lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
Lease liabilities	<u>\$ 4,951</u>	<u>\$19,802</u>	<u>\$24,753</u>	<u>\$24,753</u>	<u>\$46,770</u>	<u>\$29,703</u>

December 31, 2022

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$ 7,084,223	\$ 1,344,751	\$ 10,036	\$ -
Lease liabilities	1,171	5,657	17,942	120,700
Variable interest rate instruments	-	57,258,584	-	-
	<u>\$7,085,394</u>	<u>\$58,608,992</u>	<u>\$ 27,978</u>	<u>\$ 120,700</u>

Maturity analysis of the aforementioned financial liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
Lease liabilities	<u>\$ 6,828</u>	<u>\$17,942</u>	<u>\$22,428</u>	<u>\$22,428</u>	<u>\$44,445</u>	<u>\$31,399</u>

September 30, 2022

	Less than 3 Months	3 Months to 1 Year	1-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$6,986,350	\$1,717,693	\$ 9,536	\$ -
Lease liabilities	1,324	8,016	17,942	120,700
Variable interest rate instruments	12,815,528	66,487,568	-	-
	<u>\$19,803,202</u>	<u>\$68,213,277</u>	<u>\$ 27,478</u>	<u>\$ 120,700</u>

Maturity analysis of the aforementioned lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	Over 20 Years
Lease liabilities	<u>\$ 9,340</u>	<u>\$17,942</u>	<u>\$22,428</u>	<u>\$22,428</u>	<u>\$44,445</u>	<u>\$31,399</u>

Where variable interest rates differ from the interest rates estimated at the end of the reporting period, the aforementioned amounts of variable interest rate instruments for both non-derivative financial assets and liabilities could change.

b) Bank facilities

	September 30, 2023	December 31, 2022	September 30, 2022
Unsecured bank facilities			
Amount used	\$70,940,577	\$43,800,362	\$72,170,773
Amount unused	<u>31,624,448</u>	<u>60,590,377</u>	<u>40,101,760</u>
	<u>\$102,565,025</u>	<u>\$104,390,739</u>	<u>\$112,272,533</u>
Secured bank facilities			
Amount used	\$ 7,000,000	\$13,000,000	\$ 7,000,000
Amount unused	<u>21,500,000</u>	<u>-</u>	<u>-</u>
	<u>\$28,500,000</u>	<u>\$13,000,000</u>	<u>\$ 7,000,000</u>

31. TRANSACTIONS WITH RELATED PARTIES

Transactions, account balance, income and expense, as well as gains and losses between the Company and its subsidiaries (which are related parties of the Company), have been eliminated on consolidation without being disclosed in this note. Unless otherwise disclosed in other notes, details of transactions between the Group and its related parties were as follows:

Compensation of key management personnel

	July 1 to September 30, 2023	July 1 to September 30, 2022	January 1 to September 30, 2023	January 1 to September 30, 2022
Short-term employee benefits	\$ 53,467	\$ 52,067	\$ 160,403	\$ 156,200
Retirement benefits	<u>10,782</u>	<u>7,324</u>	<u>32,346</u>	<u>21,972</u>
	<u>\$ 64,249</u>	<u>\$ 59,391</u>	<u>\$ 192,749</u>	<u>\$ 178,172</u>

The remuneration of directors and key management personnel are determined by the remuneration committee with due regard to industry practice, the performance of individuals and the Group, and reasonableness associated with future risks.

32. PLEDGED ASSETS

Assets provided as collateral for financing loans were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Restricted bank deposits (financial assets measured at amortized cost - current)	<u>\$ 8,377,200</u>	<u>\$14,687,274</u>	<u>\$ 7,988,400</u>

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingent liabilities of the Group as of the reporting date were as follows:

Unrecognized contractual commitments of the Group were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Acquisition of property, plant and equipment	\$ 158,789	\$ 832,408	\$ 315,755
Acquisition of inventories	\$ 146,319	\$ 35,725	\$ 64,203

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information is aggregated and presented in the foreign currencies other than the functional currencies adopted by the entities in the Group. The exchange rates disclosed are the rates used to convert the aforementioned foreign currencies into the respective functional currencies. Significant assets and liabilities denominated in foreign currencies were as follows:

(In Thousands of New Taiwan Dollars and Foreign Currencies)

September 30, 2023

<u>Financial Assets</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Monetary items</u>			
USD	\$ 2,378,708	32.22 (USD:NTD)	\$ 76,641,960
USD	715,281	7.1798 (USD:RMB)	22,053,702
RMB	10	0.1393 (RMB:NTD)	40

Financial Liabilities

<u>Monetary items</u>			
USD	11,527	32.32 (USD:NTD)	372,548
USD	22,798	7.1798 (USD:RMB)	702,928
RMB	12,377	4.44 (RMB:NTD)	54,955
JPY	335	0.2078 (JPY:NTD)	70

December 31, 2022

<u>Financial Assets</u>	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Monetary items</u>			
USD	\$ 2,118,093	30.66 (USD:NTD)	\$ 64,940,720
USD	691,235	6.9646 (USD:RMB)	20,673,525
RMB	4	4.383 (RMB:NTD)	17
RMB	10	0.1436 (RMB:USD)	42

Financial Liabilities

<u>Monetary items</u>			
USD	13,258	30.76 (USD:NTD)	407,801
USD	37,608	6.9646 (USD:RMB)	1,124,781
RMB	11,482	4.4330 (RMB:NTD)	50,898

September 30, 2022

Financial Assets	Foreign Currency	Exchange Rate	Carrying Amount
<u>Monetary items</u>			
USD	\$ 2,179,323	31.70 (USD:NTD)	\$ 69,084,547
USD	648,694	7.0998 (USD:RMB)	19,777,817
RMB	152,466	4.448 (RMB:NTD)	678
Financial Liabilities			
<u>Monetary items</u>			
USD	17,487	31.80 (USD:NTD)	556,087
USD	40,428	7.0996 (USD:RMB)	1,232,559
RMB	14,412	4.4980 (RMB:NTD)	64,823

The Group is mainly exposed to the USD. The information as follows was an aggregation of the functional currencies adopted by the entities in the Group, and the exchange rates disclosed are the rates used to convert the respective functional currencies into the presentation currency. The significant foreign exchange gains (losses) (realized and unrealized) were as follows:

Functional Currency	July 1 to September 30, 2023		July 1 to September 30, 2022	
	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
USD	31.684 (USD:NTD)	(\$ 192)	30.404 (USD:NTD)	(\$ 60)
NTD	1 (NTD:NTD)	2,641,644	1 (NTD:NTD)	4,478,875
RMB	4.417 (RMB:NTD)	(133,181)	4.4517 (RMB:NTD)	1,042,119
		<u>\$ 2,508,271</u>		<u>\$ 5,520,934</u>
Functional Currency	January 1 to September 30, 2023		January 1 to September 30, 2022	
	Exchange Rate	Net Foreign Exchange Gain (Loss)	Exchange Rate	Net Foreign Exchange Gain (Loss)
USD	30.928 (USD:NTD)	(\$ 186)	29.284 (USD:NTD)	\$ 19,485
NTD	1 (NTD:NTD)	3,577,793	1 (NTD:NTD)	9,072,273
RMB	4.413 (RMB:NTD)	663,913	4.4384 (RMB:NTD)	1,895,243
		<u>\$ 4,241,520</u>		<u>\$ 10,987,001</u>

35. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions

- 1) Loaning of funds to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held at period-end (excluding investments in subsidiaries and associates) (Table 3)

- 4) Acquisition or disposal of the same marketable securities at cumulative amount of at least NT\$300 million or 20% of the Company's paid-in capital (Table 4)
 - 5) Acquisitions of individual real estate amounting to NT\$300 million or 20% of the Company's paid-in capital (Table 5)
 - 6) Disposals of individual real estate at a price of at least NT\$300 million or 20% of the Company's paid-in capital (N/A)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the Company's paid-in capital (Table 6)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the Company's paid-in capital (Table 7)
 - 9) Trading of derivative instruments (N/A)
 - 10) Others: Intercompany relationships and significant intercompany transactions (Table 10)
- b. Information on investees (Table 8)
- c. Information on investments in Mainland China
- 1) Information on the investee companies in Mainland China, including names, major operational activities, paid-in capital, method of investment, inward and outward remittance of funds, percentage of ownership, net income or loss for the current period, investment income or loss recognized, carrying amount of investment at the end of the reporting period, repatriations of investment income or loss, and limitation of investment in the Mainland China area (Table 9)
 - 2) Prices, payment terms, and unrealized gains or losses of the following significant transactions with investee companies in Mainland China, directly or indirectly through a third party (Table 1, 2, 6, 7 and 10)
 - a) Purchases - the amount and percentage of purchases as well as the balance and percentage of the related payables at the end of the period
 - b) Sales - the amount and percentage of sales as well as the balance and percentage of the related receivables at the end of the period
 - c) Property transactions - the amount of transactions and the amount of the resultant gains or losses
 - d) Endorsements and guarantees - the balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period as well as the underlying purposes
 - e) Financing - the highest balance during the period, the balance at the end of the period, the range of the interest rates applied, and the total amount of interest charged for the current period
 - f) Others - the transactions with material effect on profit or loss for the current period or on the Company's financial status, such as rendering or reception of services
- d. Information of major shareholders: name, number of shares owned, and percentage of ownership of each shareholder with ownership of 5% or higher. (N/A)

36. SEGMENT INFORMATION

For the purpose of resource allocation and performance assessment, the Group's decision maker reviews financial information by product category. Considering that all plants produce similar products through similar manufacturing processes, and the products are distributed and sold through a unified approach by the Group, hence, the Group can be regarded as a single operating unit for reporting purpose. The segment information provided by the Group to its decision makers is measured on the same basis as the consolidated financial statements. Thus, the measurement amounts regarding segment revenue, operating results and assets for the periods from July 1 to September 30 and January 1 to September 30, 2023 and 2022, may be referred to the consolidated statements of comprehensive income from July 1 to September 30 and January 1 to September 30, 2023 and 2022, as well as the consolidated balance sheets as of September 30, 2023 and 2022.

TABLE 1

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

LOANING OF FUNDS TO OTHERS
JANUARY 1 TO SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Account	Related Parties	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Limit of Loaning of Funds to Each Borrower (Note 1)	Limit of Aggregate Amount of Loans (Note 2)
													Item	Value		
1	Lyra International Co., Ltd.	Next Level Ltd.	Other receivables from related parties	Yes	\$ 609,600	\$ -	\$ -	-	Short-term financing	\$	Operating capital	\$ -	-	\$ -	\$ 813,564,440	\$ 813,564,440
2	Uranus International Co., Ltd.	Next Level Ltd.	Other receivables from related parties	Yes	914,400	\$ -	-	-	Short-term financing		Operating capital	-	-	-	813,564,440	\$ 813,564,440
3	Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Other receivables from related parties	Yes	809,028	\$ 809,028	809,028	1.5%	Short-term financing		Operating capital	-	-	-	813,564,440	\$ 813,564,440

Note 1: In accordance with the provisions of the Regulations Governing Loaning of Funds, the aggregate amount of inter-company loaning of funds between overseas companies in which the Company holds, directly or indirectly, 100% of shares shall be limited to no more than 500% of the Company’s net worth at the end of the period. Such of loans between domestic subsidiaries shall not exceed 40% of the subsidiary’s net worth at the end of the period. For the companies which the Company has business contact with, the amount of individual loans shall not exceed the amount of the most recent annual business transactions between the two parties.

Note 2: In accordance with the provisions of the Regulations Governing Loaning of Funds, the aggregate amount of inter-company loaning of funds between overseas companies in which the Company holds, directly or indirectly, 100% of shares shall be limited to no more than 500% of the Company’s net worth at the end of the period. Such of loans between domestic subsidiaries shall not exceed 40% of the subsidiary’s net worth at the end of the period.

Note 3: The net asset value mentioned in Note 1 and 2 above refers to the equity attributable to the owners of the Company on the consolidated balance sheets.

Table 2

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
JANUARY 1 TO SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 1)	Maximum Amount Endorsed/ Guaranteed During the Period	Ending Balance of Endorsement/ Guarantee	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Asset Value in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	Catcher Technology Co., Ltd.	Catcher Technology Co., Ltd.	Business relation	\$ 81,356,444	\$ 10,000	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>	0.01	<u>\$ 162,712,888</u>	N	N	N
1	Catcher Technology (Suqian) Co., Ltd.	Catcher Technology (Suqian) Co., Ltd.	Business relation	81,356,444	8,989	<u>\$ 8,989</u>	<u>\$ 8,989</u>	<u>\$ -</u>	0.01	<u>\$ 162,712,888</u>	N	N	Y
2	Vito Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Business relation	81,356,444	22,214	<u>\$ 8,989</u>	<u>\$ 8,989</u>	<u>\$ -</u>	0.01	<u>\$ 162,712,888</u>	N	N	Y
3	Arcadia Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Business relation	81,356,444	16,438	<u>\$ 12,135</u>	<u>\$ 12,135</u>	<u>\$ -</u>	0.01	<u>\$ 162,712,888</u>	N	N	Y
4	Envio Technology (Suqian) Co., Ltd.	Envio Technology (Suqian) Co., Ltd.	Business relation	81,356,444	24,271	<u>\$ 24,271</u>	<u>\$ 24,271</u>	<u>\$ -</u>	0.02	<u>\$ 162,712,888</u>	N	N	Y

Note 1: Endorsements/guarantees for a single enterprise by the Company and its foreign subsidiaries shall be limited to no more than 50% of the Company’s net worth at the end of the period.

Note 2: The maximum amount of endorsements/guarantees by the Company and its foreign subsidiaries shall be limited to no more than 100% of the Company’s net worth at the end of the period.

Note 3: The net asset value mentioned in Note 1 and 2 above refers to the equity attributable to the owners of the Company on the consolidated balance sheets.

Table 3

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2023

(NTS'000 or Other Foreign Currencies in Thousands)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Issuing Company	Account	End of Period				Note
				Unit/Share/Value	Book Value	Percentage of Ownership (%)	Fair Value	
Catcher Technology Co., Ltd.	<u>LISTED SHARES</u> Sinher Technology Inc.	None	Financial assets at FVTPL - current	4,055,917	\$ 142,160	5.45	\$ 142,160	
	<u>UNLISTED SHARES</u> AlphaInfo Inc.	None	Financial assets at FVTOCI - non-current	1,500,000	-	10.00	-	
	CDIB Capital Innovation Accelerator Co., Ltd.	None	Financial assets at FVTOCI - non-current	3,395,400	51,240	3.57	51,240	
Ke Yue Co., Ltd.	<u>LISTED SHARES</u> United Orthopedic Corporation	None	Financial assets at FVTOCI - current	204,000	13,484	0.23	13,484	
	Intai Technology Corp.	None	Financial assets at FVTOCI - current	2,298,000	281,505	4.76	281,505	
	Global PMX Co., Ltd.	None	Financial assets at FVTOCI - current	2,084,000	283,424	1.81	283,424	
	APEX Biotechnology Corporation	None	Financial assets at FVTOCI - current	958,000	25,770	0.96	25,770	
	Highlight Tech Corp.	None	Financial assets at FVTOCI - current	822,000	39,538	0.70	39,538	
	Feedback Technology Corp.	None	Financial assets at FVTOCI - current	610,000	52,155	1.27	52,155	
	Calitech Co., Ltd.	None	Financial assets at FVTOCI - current	146,000	8,745	0.39	8,745	
	Shih Her Technologies Inc.	None	Financial assets at FVTOCI - current	108,000	7,960	0.19	7,960	
	<u>LIMITED PARTNERSHIPS</u> Taiwania Capital Buffalo Fund V, LP	None	Financial assets at FVTPL - non-current		189,556	12.78	189,556	Note 3
	MESH Cooperative Ventures Fund LP	None	Financial assets at FVTPL - non-current	-	75,052	7.39	75,052	Note 3
	<u>BENEFICIARY CERTIFICATES</u> Yunta Japan Leaders Equity Fund	None	Financial assets at FVTPL - current	10,060,362	98,189	-	98,189	
Yi De Co., Ltd.	<u>LISTED SHARES</u> Excelsior Medical Co., Ltd.	None	Financial assets at FVTOCI - current	21,000	1,873	0.01	1,873	
	United Orthopedic Corporation	None	Financial assets at FVTOCI - current	717,000	47,394	0.81	47,394	
	Intai Technology Corp.	None	Financial assets at FVTOCI - current	2,308,000	282,730	4.78	282,730	
	Global PMX Co., Ltd.	None	Financial assets at FVTOCI - current	2,129,000	289,544	1.85	289,544	
	APEX Biotechnology Corporation	None	Financial assets at FVTOCI - current	128,000	3,443	0.13	3,443	
	Highlight Tech Corp.	None	Financial assets at FVTOCI - current	126,000	6,061	0.11	6,061	
	Feedback Technology Corp.	None	Financial assets at FVTOCI - current	362,000	30,951	0.75	30,951	
	Calitech Co., Ltd.	None	Financial assets at FVTOCI - current	218,000	13,058	0.58	13,058	
	Shih Her Technologies Inc.	None	Financial assets at FVTOCI - current	100,000	7,370	0.18	7,370	
	Medtronic PLC	None	Financial assets at FVTPL - current	100	253	-	253	
	<u>BENEFICIARY CERTIFICATES</u> Yunta Japan Leaders Equity Fund	None	Financial assets at FVTPL - current	10,060,362	98,189	-	98,189	
Yi Sheng Co., Ltd.	<u>LISTED SHARES</u> United Orthopedic Corporation	None	Financial assets at FVTOCI - current	100,000	6,610	0.11	6,610	
	Intai Technology Corp.	None	Financial assets at FVTOCI - current	2,236,000	273,910	4.63	273,910	
	Global PMX Co., Ltd.	None	Financial assets at FVTOCI - current	2,110,000	286,960	1.83	286,960	
	APEX Biotechnology Corporation	None	Financial assets at FVTOCI - current	252,000	6,779	0.25	6,779	
	Highlight Tech Corp.	None	Financial assets at FVTOCI - current	436,000	20,972	0.37	20,972	
	Feedback Technology Corp.	None	Financial assets at FVTOCI - current	304,000	25,992	0.63	25,992	
	Calitech Co., Ltd.	None	Financial assets at FVTOCI - current	303,000	18,150	0.81	18,150	
	Shih Her Technologies Inc.	None	Financial assets at FVTOCI - current	114,000	8,402	0.20	8,402	
	Medtronic PLC	None	Financial assets at FVTPL - current	100	253	-	253	
	<u>BENEFICIARY CERTIFICATES</u> Yunta Japan Leaders Equity Fund	None	Financial assets at FVTPL - current	10,060,362	98,189	-	98,189	
Catcher Medtech Co., Ltd.	<u>LISTED SHARES</u> Intai Technology Corp.	None	Financial assets at FVTOCI - current	86,000	10,535	0.18	10,535	
	Global PMX Co., Ltd.	None	Financial assets at FVTOCI - current	952,000	129,472	0.83	129,472	

(Continued)

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Issuing Company	Account	End of Period				Note		
				Unit/Share/Value	Book Value		Percentage of Ownership (%)		Fair Value	
Nanomag International Co., Ltd.	LIMITED PARTNERSHIPS									
	China Renewable Energy Fund, L.P.	None	Financial assets at FVTOCI - non-current	-	USD	49,440	23.51	USD	49,440	Note 3
	CORPORATE BONDS									
	Aercap Ireland Capital DAC	None	Financial assets at FVTOCI - non-current	1,025,000	USD	987		USD	987	
	Aercap Ireland Capital DAC / Aerca	None	Financial assets at FVTOCI - non-current	1,000,000	USD	996		USD	996	
	Aircastle Ltd	None	Financial assets at FVTOCI - non-current	1,000,000	USD	974		USD	974	
	Ares Capital Corporation	None	Financial assets at FVTOCI - non-current	1,000,000	USD	984		USD	984	
	Bat Capital Corp	None	Financial assets at FVTOCI - non-current	1,500,000	USD	1,464		USD	1,464	
	Bacardi Ltd	None	Financial assets at FVTOCI - non-current	1,615,000	USD	1,568		USD	1,568	
	Canadian Natural Resources Ltd	None	Financial assets at FVTOCI - non-current	1,500,000	USD	1,482		USD	1,482	
	Celanese US Holdings LLC	None	Financial assets at FVTOCI - non-current	1,058,000	USD	1,041		USD	1,041	
	Centene Corporation	None	Financial assets at FVTOCI - non-current	1,000,000	USD	922		USD	922	
	Duke Energy Ohio Inc.	None	Financial assets at FVTOCI - non-current	1,011,000	USD	1,018		USD	1,018	
	DCP Midstream Operating LP	None	Financial assets at FVTOCI - non-current	1,000,000	USD	987		USD	987	
	Danske Bank A/S	None	Financial assets at FVTOCI - non-current	1,766,000	USD	1,761		USD	1,761	
	Delta Air Lines Inc.	None	Financial assets at FVTOCI - non-current	1,000,000	USD	962		USD	962	
	Delta Air Lines Inc.	None	Financial assets at FVTOCI - non-current	1,000,000	USD	1,014		USD	1,014	
	Discover Bank	None	Financial assets at FVTOCI - non-current	2,000,000	USD	1,921		USD	1,921	
	Discovery Communications LLC	None	Financial assets at FVTOCI - non-current	1,400,000	USD	1,388		USD	1,388	
	EDP Finance BV	None	Financial assets at FVTOCI - non-current	1,812,000	USD	1,776		USD	1,776	
	EQT Corp	None	Financial assets at FVTOCI - non-current	1,000,000	USD	927		USD	927	
	Enel Finance International NV	None	Financial assets at FVTOCI - non-current	1,076,000	USD	1,041		USD	1,041	
	Entergy Louisiana LLC	None	Financial assets at FVTOCI - non-current	1,100,000	USD	1,048		USD	1,048	
	Expedia Inc.	None	Financial assets at FVTOCI - non-current	1,200,000	USD	1,176		USD	1,176	
	Expedia Group Inc.	None	Financial assets at FVTOCI - non-current	800,000	USD	801		USD	801	
	General Motors Financial Co Inc.	None	Financial assets at FVTOCI - non-current	1,500,000	USD	1,457		USD	1,457	
	Glencore Funding LLC	None	Financial assets at FVTOCI - non-current	1,000,000	USD	991		USD	991	
	Goldman Sachs Group Inc./The	None	Financial assets at FVTOCI - non-current	1,000,000	USD	992		USD	992	
	HCA Inc.	None	Financial assets at FVTOCI - non-current	1,500,000	USD	1,493		USD	1,493	
	Harley-Davidson Financial Services	None	Financial assets at FVTOCI - non-current	1,100,000	USD	1,044		USD	1,044	
	Hyundai Capital America	None	Financial assets at FVTOCI - non-current	2,000,000	USD	1,962		USD	1,962	
	Intesa Sanpaolo SPA	None	Financial assets at FVTOCI - non-current	1,500,000	USD	1,454		USD	1,454	
	JDE Peets NV	None	Financial assets at FVTOCI - non-current	580,000	USD	551		USD	551	
	Laboratory Corporation of America	None	Financial assets at FVTOCI - non-current	1,500,000	USD	1,463		USD	1,463	
	Lennar Corporation	None	Financial assets at FVTOCI - non-current	1,364,000	USD	1,351		USD	1,351	
	MPLX LP	None	Financial assets at FVTOCI - non-current	1,000,000	USD	986		USD	986	
	NRG Energy Inc.	None	Financial assets at FVTOCI - non-current	1,701,000	USD	1,666		USD	1,666	
	Omega Healthcare Investors	None	Financial assets at FVTOCI - non-current	700,000	USD	682		USD	682	
	Pacific Gas And Electric Company	None	Financial assets at FVTOCI - non-current	810,000	USD	806		USD	806	
	Park Aerospace Holdings Ltd	None	Financial assets at FVTOCI - non-current	1,000,000	USD	998		USD	998	
	Plains All American Pipeline LP /	None	Financial assets at FVTOCI - non-current	1,000,000	USD	999		USD	999	
	Santander Holdings USA Inc.	None	Financial assets at FVTOCI - non-current	1,000,000	USD	978		USD	978	
	Schlumberger Holdings Corp	None	Financial assets at FVTOCI - non-current	1,500,000	USD	1,482		USD	1,482	
	Standard Chartered Plc	None	Financial assets at FVTOCI - non-current	1,000,000	USD	995		USD	995	
	Sunoco Logistics Partners Operations	None	Financial assets at FVTOCI - non-current	750,000	USD	743		USD	743	
	Synchrony Financial	None	Financial assets at FVTOCI - non-current	1,000,000	USD	977		USD	977	
	VEB Finance PLC	None	Financial assets at FVTOCI - non-current	1,000,000		-			-	
	Valero Energy Corporation	None	Financial assets at FVTOCI - non-current	367,000	USD	350		USD	350	
	Ventas Realty LP	None	Financial assets at FVTOCI - non-current	1,000,000	USD	985		USD	985	
	VICI Properties LP/VICI Note Co In	None	Financial assets at FVTOCI - non-current	1,000,000	USD	932		USD	932	
	Vistra Operations Co LLC	None	Financial assets at FVTOCI - non-current	1,000,000	USD	976		USD	976	
	VMware Inc.	None	Financial assets at FVTOCI - non-current	1,000,000	USD	977		USD	977	
	Westinghouse Air Brake Technologies	None	Financial assets at FVTOCI - non-current	1,500,000	USD	1,486		USD	1,486	

(Continued)

(Continued from previous page)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Issuing Company	Account	End of Period				Note	
				Unit/Share/Value	Book Value		Percentage of Ownership (%)		Fair Value
Cor Venturnes Pte. Ltd	<u>GOVERNMENT BONDS</u>								
	US Treasury	None	Financial assets at FVTOCI - non-current	2,535,000,000	USD	2,353,548		USD	2,353,548
	<u>PRIVATE EQUITY FUND</u>								
	Ally Bridge Group LP	None	Financial assets at FVTPL - non-current	-	USD	17,274	2.54	USD	17,274
	ABG-CMRCO LP	None	Financial assets at FVTPL - non-current	-	USD	9,649	25.32	USD	9,649
	Altara Ventures Fund LP	None	Financial assets at FVTPL - non-current	-	USD	2,886	3.84	USD	2,886
	New Economy Ventures LP	None	Financial assets at FVTPL - non-current	-	USD	1,327	7.36	USD	1,327
	Baring Asia Private Equity Fund VIII	None	Financial assets at FVTPL - non-current	-	USD	4,450	0.27	USD	4,450
	Silver Lake Alpine Fund II	None	Financial assets at FVTPL - non-current	-	USD	5,411	0.30	USD	5,411
	<u>FOREIGN LISTED STOCKS</u>								
	Navitas	None	Financial assets at FVTOCI - non-current	200,000	USD	1,390	0.14	USD	1,390

Note 1: Marketable securities in this table are shares, bonds, beneficiary certificates and those derived from the above-mentioned items which are within the scope of IFRS 9 “Financial Instrument: Recognition and Measurement”.

Note 2: Refer to Tables 8 and 9 for information on subsidiaries and associates.

Note 3: Percentage of ownership is the ratio of capital contribution.

Table 4

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

ACQUIRING OR DISPOSING OF THE SAME MARKETABLE SECURITIES WITH THE CUMULATIVE TRANSACTION AMOUNT OF NT\$300 MILLION OR MORE, OR 20% OR MORE OF THE PAID-IN CAPITAL
JANUARY 1 TO SEPTEMBER 30, 2023
(In Thousands of Foreign Currencies)

Company Name	Type and Name of Marketable Securities	Account	Transaction Counterparty	Relationship	Beginning of the Period (Note 1)		Acquisition		Disposal				End of the Period (Note 1)	
					Number of Shares/Units	Amount	Number of Shares/Units	Amount	Number of Shares/Units	Selling Price	Book Value	Disposal (Loss) Profit	Number of Shares/Units	Amount
Catcher Technology Co., Ltd.	<u>UNLISTED SHARES</u>													
	Yi Sheng Co., Ltd.	Investments accounted for using the equity method	Note 2	100% owned subsidiary	73,270,000	\$ 1,063,672	4,000,000	\$ 400,000	-	\$ -	\$ -	\$ -	77,270,000	\$ 1,475,366
	Yi De Co., Ltd.	Investments accounted for using the equity method	Note 2	100% owned subsidiary	73,270,000	1,082,883	4,000,000	400,000	-	-	-	-	77,270,000	1,526,097
	Catcher Medtech Co., Ltd.	Investments accounted for using the equity method	Note 2	100% owned subsidiary	2,000,000	195,444	4,500,000	450,000	-	-	-	-	6,500,000	641,392
Nanomag International Co., Ltd.	<u>GOVERNMENT BONDS</u>													
	US Treasury	Financial assets at FVTOCI - non-current	—	—	-	USD 10,201	-	USD 2,552,732	-	-	-	-	-	USD 2,353,548
	<u>UNLISTED SHARES</u>													
	Cor Venturnes Pte, Ltd.	Investments accounted for using the equity method	Note 2	100% owned subsidiary	55,165,797	USD 49,840	45,000,000	USD 45,000	-	-	-	-	100,165,797	USD 96,471

Note 1: The opening and closing balances include fair value adjustments, profit and loss of subsidiaries recognized using the equity method and other adjustment items.

Note 2: Cash capital increase.

Table 5

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

ACQUISITIONS OF INDIVIDUAL REAL ESTATE AMOUNTING TO NT\$300 MILLION OR MORE, OR 20% OR MORE OF THE PAID-IN CAPITAL
JANUARY 1 TO SEPTEMBER 30, 2023
Dollars (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Acquiring Company	Property Item	Date of Event	Transaction Amount	Status of Payment	Transaction Counterparty	Relationship	Previous Transfer Information for Related Party Transactions				Pricing Reference	Purpose and Usage Status of Acquisition	Other Contractual Terms
							Owner	Relationship with the Issuing Company	Transfer Date	Amount			
Catcher Technology Co., Ltd.	Land and Building - Da'an District, Taipei City	January 17, 2023	\$ 466,967	Paid	HSBC Global Asset Management (Taiwan) Limited	Non-related party	Not applicable	Not applicable	Not applicable	\$ -	Appraisal report	For operational needs	None

Table 6

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO NT\$100 MILLION OR MORE, OR 20% OR MORE OF THE PAID-IN CAPITAL
JANUARY 1 TO SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

Buyer (Seller)	Transaction Counterparty	Relationship	Transaction Details				Reasons for Unusual Transactions		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Catcher Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sale	(\$ 1,986,101)	66	Settled monthly; credit on 30-90 days	Equivalent	Equivalent	\$ 1,814,826	72	
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sale	(453,692)	15	Settled monthly; credit on 30-90 days	Equivalent	Equivalent	436,658	17	
Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	Sale	(1,559,237)	53	Settled monthly; credit on 30-90 days	Equivalent	Equivalent	1,211,406	58	

Table 7

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO NT\$100 MILLION OR MORE, OR 20% OR MORE OF THE PAID-IN CAPITAL.
SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

Company Name	Transaction Counterparty	Relationship	Ending Balance	Turnover Ratio (%)	Overdue		Amount Subsequently Recovered	Allowance for Impairment Loss
					Amount	Actions Taken		
Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	Same ultimate parent company	\$ 270,743	-- (Note)	\$ -	Not applicable	\$ -	\$ -
Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	1,814,826	1.14	-	Not applicable	112,364	-
	Envio Technology (Suqian) Co., Ltd.	Same ultimate parent company	436,658	2.76	-	Not applicable	-	-
	Catcher Technology (Suqian) Co., Ltd.	Same ultimate parent company	202,388	1.53	-	Not applicable	-	-
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	1,211,406	1.11	-	Not applicable	53,935	-
	Arcadia Technology (Suqian) Co., Ltd.	Same ultimate parent company	809,028	-- (Note)	-	Not applicable	-	-

Note: Receivables from processing and loaning of funds to others; the turnover ratio is not applicable.

Table 8

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
JANUARY 1 TO SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses	Original Investment Amount		Investment Amount at the End of Period			Net Income (Loss) of the Investee	Investment Income (Loss) (Note 1)	Note
				End of the Current Period	End of Last Year	Number of Shares	% Ownership	Book Value			
Catcher Technology Co., Ltd.	Gigamag Co., Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investing activities	\$ 484,941	\$ 484,941	14,377,642	100	\$ 2,111,538	\$ 75,993	\$ 75,993	Note 3
	Nanomag International Co., Ltd.	P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	1	1	30	100	155,789,762	7,398,390	7,496,137	
	Smart Ecare Inc.	13F., No. 99, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	Health and medical treatment consultant	72,000	72,000	1,440,000	45	2,825	124	56	
	Ke Yue Co., Ltd.	1F., No. 10, Ln. 138, Ren'ai St., Yongkang Dist., Tainan City 710, Taiwan (R.O.C.)	Investing activities	3,000,000	3,000,000	198,390,000	100	2,969,391	81,938	81,938	
	Yi Sheng Co., Ltd.	1F., No. 10, Ln. 138, Ren'ai St., Yongkang Dist., Tainan City 710, Taiwan (R.O.C.)	Investing activities	1,400,000	1,000,000	77,270,000	100	1,475,366	38,408	38,408	
	Yi De Co., Ltd.	1F., No. 10, Ln. 138, Ren'ai St., Yongkang Dist., Tainan City 710, Taiwan (R.O.C.)	Investing activities	1,400,000	1,000,000	77,270,000	100	1,526,097	41,058	41,058	
	Catcher Medtech Co., Ltd.	No. 10, Yongke 5th Rd., Yongkang Dist., Tainan City 710, Taiwan (R.O.C.)	Manufacturing and selling medical devices	650,000	200,000	6,500,000	100	641,392	(4,299)	(4,271)	
	Catcher Holdings International Inc.	3524 Silverside Road Suite 35B, Wilmington, New Castle, United State	Investing activities	- (USD 0)	- (USD 0)	-	-	-	-	-	
Ke Yue Co., Ltd.	Pacific Hospital Supply Co., Ltd.	No. 8, Tongke 2nd Rd., Hsinchu Science Park, Jiuhu Vil., Tongluo Township, Miaoli County, Taiwan	Biotechnology and medical care	528,203	519,621	7,155,000	9.86	491,951	347,882		
	Bioteque Corporation	5F.-6, No. 23, Sec. 1, Chang'an E. Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Biotechnology and medical care	756,426	599,636	6,788,000	9.80	769,268	347,355		
Yi Sheng Co., Ltd.	Pacific Hospital Supply Co., Ltd.	No. 8, Tongke 2nd Rd., Hsinchu Science Park, Jiuhu Vil., Tongluo Township, Miaoli County, Taiwan	Biotechnology and medical care	240,757	240,757	3,254,000	4.48	223,059	347,882		
	Bioteque Corporation	5F.-6, No. 23, Sec. 1, Chang'an E. Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Biotechnology and medical care	279,319	279,091	2,591,000	3.74	294,906	347,355		
Yi De Co., Ltd.	Pacific Hospital Supply Co., Ltd.	No. 8, Tongke 2nd Rd., Hsinchu Science Park, Jiuhu Vil., Tongluo Township, Miaoli County, Taiwan	Biotechnology and medical care	295,411	295,411	4,047,000	5.57	277,419	347,882		
	Bioteque Corporation	5F.-6, No. 23, Sec. 1, Chang'an E. Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Biotechnology and medical care	245,534	243,370	2,252,000	3.25	256,293	347,355		
Catcher Medtech Co., Ltd.	Pacific Hospital Supply Co., Ltd.	No. 8, Tongke 2nd Rd., Hsinchu Science Park, Jiuhu Vil., Tongluo Township, Miaoli County, Taiwan	Biotechnology and medical care	87,798	-	1,063,000	1.46	88,436	348,882		
	Bioteque Corporation	5F.-6, No. 23, Sec. 1, Chang'an E. Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Biotechnology and medical care	68,932	-	642,000	0.93	69,030	347,355		
	Ren He Medical Materials Technology Co., Ltd.	No. 10, Yongke 5th Rd., Yongkang Dist., Tainan City 710, Taiwan (R.O.C.)	Selling medical devices	2,000	-	200,000	100	2,000	-		
	Ren Yi Medical Materials Technology Co., Ltd.	No. 10, Yongke 5th Rd., Yongkang Dist., Tainan City 710, Taiwan (R.O.C.)	Selling medical devices	2,000	-	200,000	100	2,000	-		
Nanomag International Co., Ltd.	Castmate International Co., Ltd.	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investing activities	28,127 (USD 1,009,592)	28,127 (USD 1,009,592)	1,009,592	100	168,822	5,398		
	Stella International Co., Ltd.	P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	9,251,725 (USD 332,079,144)	9,251,725 (USD 332,079,144)	332,079,144	100	18,015,049	(909,796)		
	Aquila International Co., Ltd.	P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands	Investing activities	31,203 (USD 1,120,000)	31,203 (USD 1,120,000)	1,050,000	75	36,047	1,580		
	Uranus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	11,116,401 (USD 399,009,383)	11,116,401 (USD 399,009,383)	399,009,383	100	18,972,632	61,704		
	Norma International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	8,345,009 (USD 299,533,691)	8,345,009 (USD 299,533,691)	299,533,691	100	13,288,125	2,931,175		
	Next Level Ltd.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	Investing activities	279 (USD 10,000)	279 (USD 10,000)	10,000	100	460,454	48,307		
	Cor Ventures Pte. Ltd.	160 Robinson Road, #14-04 Singapore Business Federation Centre, Singapore 068914	Investing activities	2,989,069 (USD 100,165,797)	1,536,919 (USD 55,165,797)	100,165,797	100	3,113,123	41,564		
	Cygnus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	- (USD 0)	278,747 (USD 10,005,259)	-	-	-	-		
Stella International Co., Ltd.	Lyra International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	1 (USD 30)	1 (USD 30)	30	100	22,417	802		Note 3
Aquila International Co., Ltd.	Cepheus International Co., Ltd.	Room 1907, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong	Investing activities	- (USD 0)	39,004 (USD 1,400,000)	-	-	-	-		
Catcher Holdings International Inc.	Catcher Ventures Inc.	14451 Chambers Road Suite 100 Tustin, CA 92780, United State	Investing activities	- (USD 0)	- (USD 0)	-	-	-	-		

Note 1: Disclose only investment income (loss) from directly owned subsidiaries and the investees accounted for using the equity method.

Note 2: Refer to Table 9 for information on investment in Mainland China.

Note 3: The investees were established and registered in June 2022 with no investment funds remitted in yet.

Table 9

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

JANUARY 1 TO SEPTEMBER 30, 2023

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses	Paid-in Capital (Note 13)	Method of Investment (Note 1)	Accumulated Investment Amount Remitted from Taiwan at the Beginning of the Current Period (Note 13)	Remittance of Funds		Accumulated Investment Amount Remitted from Taiwan at the End of the Current Period (Note 13)	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) (Note 2)	Book Value at the End of the Period	Repatriation of Investment Income as of the Current Period
					Outward	Inward						
Catcher Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied alloy products	\$ -	(2) Cygnus International Co., Ltd. (Note 8)	\$ 1,075,882 (USD 33,340,000)	\$ -	\$ -	\$ 1,075,882 (USD 33,340,000)	\$ -	-	\$ -	\$ -	\$ -
Topo Technology (Suzhou) Co., Ltd.	Manufacturing, selling and developing varied alloy products	-	(2) Lyra International Co., Ltd. (Notes 4 and 5)	1,301,772 (USD 40,340,000)	-	-	1,301,772 (USD 40,340,000)	-	-	-	-	930,304
Topo Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied alloy products	-	(2) Lyra International Co., Ltd. (Note 9)	-	-	-	-	-	-	-	-	18,644,177
Meecca Technology (Taizhou) Co., Ltd.	Manufacturing, selling and developing varied alloy products	-	(2) Lyra International Co., Ltd. (Note 12)	-	-	-	-	-	-	-	-	4,777,580
Meecca Technology (Suzhou Industrial Park) Co., Ltd.	Manufacturing, selling and developing varied alloy products	-	(2) Cygnus International Co., Ltd. (Note 6)	-	-	-	-	-	-	-	-	2,109,621
Catcher Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied alloy products	6,454,000 (USD 200,000,000)	(2) Uranus International Co., Ltd. (Note 7)	3,065,618 (USD 94,999,000)	-	-	3,065,618 (USD 94,999,000)	(72,464)	100	(56,581) (2)A.	9,646,011	10,801,111
Vito Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied alloy products	6,109,551 (RMB 409,431,280) (USD 132,300,000)	(2) Uranus International Co., Ltd. (Note 10)	-	-	-	-	96,642	100	118,275 (2)A.	9,364,043	340,510
Arcadia Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied alloy products	6,270,284 (RMB 398,499,193) (USD 138,803,527)	(2) Norma International Co., Ltd. (Note 11)	-	-	-	-	2,703,455	100	2,780,443 (2)A.	9,769,805	3,418,675
Envio Technology (Suqian) Co., Ltd.	Manufacturing, selling and developing varied alloy products	3,140,778 (RMB 188,956,820) (USD 71,010,000)	(2) Norma International Co., Ltd. (Note 16)	-	-	-	-	177,445	100	150,714 (2)A.	3,517,149	102,696
Aquila Technology (Suqian) Co., Ltd. (Note 17)	Manufacturing and selling varied molds and electronic components	-	(2) Cepheus International Co., Ltd.	36,142 (USD 1,120,000)	-	-	36,142 (USD 1,120,000)	-	75	-	-	169,684
WIT Technology (Taizhou) Co., Ltd. (Note 14)	Researching, developing and manufacturing electronic components	-	(2) Cetus International Co., Ltd.	-	-	-	-	-	-	-	-	-
Chaohu Yunhai Magnesium Co., Ltd. (Note 15)	Manufacturing and selling dolomite, aluminum, magnesium alloy and other alkaline-earth metals	-	(2) Sagitta International Co., Ltd.	712,584 (USD 22,081,923)	-	-	712,584 (USD 22,081,923)	-	-	-	-	-

Accumulated Investment Amount Remitted from Taiwan to the Mainland China at the End of the Current Period (Note 13)	Investment Amounts Authorized by the Investment Commission, MOEA (Notes 13 and 14)	Upper Limit on the Amount of Investment in Mainland China Stipulated by the Investment Commission, MOEA (Note 3)
\$ 6,191,997 (USD 191,880,923)	\$ 46,495,002 (USD 1,072,926,573.39) (RMB 2,641,316,560.48)	\$ 97,634,941

Note 1: The methods of investment include:

1. Direct investment in Mainland China.
2. Investment in the companies in Mainland China via a company incorporated in the third region.
3. Other methods.

Note 2: Investment income (loss) shall be:

1. Specified if the investee is in the preparation stage with no investment income (loss) incurred.
2. Specified based on the following three principles of recognition:
 - (1) The financial statements reviewed by global accounting firms affiliated with the accounting firms in Taiwan.
 - (2) The financial statements reviewed by the CPAs of the parent company in Taiwan.
 - (3) Others.

Note 3: The upper limit on the Company's investment in Mainland China is calculated as $\$162,724,903 \times 60\% = \$97,634,941$.

Note 4: The paid-in capital of US\$6,670,000, which was self-owned funds of Nanomag International Co., Ltd., was then invested in Topo Technology (Suzhou) Co., Ltd. via Stella International Co., Ltd. The investee thereafter raised its capital by US\$33,300,000 out of earnings in the third quarter of 2011 and returned US\$33,300,000 via capital reduction in the fourth quarter of 2014.

Note 5: The paid-in capital of US\$30,000,000, which was the earnings distributed by Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., was then invested in Topo Technology (Suzhou) Co., Ltd., with the amount of US\$67,000,000 returned via capital reduction in the first quarter of 2016. Lyra International Co., Ltd. sold all of its equity in November 2021; the proceeds have not yet been remitted back to Taiwan and therefore have not been deducted from the investment amount authorized by the Investment Commission, MOEA.

Note 6: The paid-in capital of US\$106,000,000, which was the earnings distributed by Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., was then invested in Meecca Technology (Suzhou Industrial Park) Co., Ltd., with capital increase of US\$16,670,000 out of earnings in the third quarter of 2011. The amount of US\$16,670,000 was returned via capital reduction in the fourth quarter of 2014 and the amount of US\$32,000,000 in the third quarter of 2016. Thereafter, the amount of US\$32,000,000 was returned via capital reduction in the second quarter of 2017, and the amount of US\$32,000,000 was returned via capital reduction in the third quarter of 2017. Cygnus International Co., Ltd. sold all of its equity in November 2021; the proceeds have not yet been remitted back to Taiwan and therefore have not been deducted from the investment amount authorized by the Investment Commission, MOEA.

Note 7: The paid-in capital of US\$5,001,000, which was the earnings distributed by Catcher Technology (Suzhou) Co., Ltd. to Castmate International Co., Ltd., was then invested in Catcher Technology (Suqian) Co., Ltd. The paid-in capital of US\$100,000,000, which was the earnings distributed by Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., was then invested in Catcher Technology (Suqian) Co., Ltd. via Uranus International Co., Ltd.

Note 8: The paid-in capital of US\$16,670,000 was the earnings distributed in the third quarter of 2011 and US\$40,000,000 was returned via capital reduction in the second quarter of 2014. US\$10,010,000 was returned in August 2016 due to dissolution, but has not been remitted back to Taiwan and therefore has not been deducted from the investment amount authorized by the Investment Commission, MOEA..

Note 9: The paid-in capital of RMB227,510,746, which was the earnings distributed by Topo Technology (Suzhou) Co., Ltd. to Stella International Co., Ltd., was then invested in Topo Technology (Taizhou) Co., Ltd. The paid-in capital of US\$65,979,240 and RMB602,268,326, which were the earnings distributed by subsidiaries in Mainland China to Nanomag International Co., Ltd., were then invested in Topo Technology (Taizhou) Co., Ltd. via Lyra International Co., Ltd. Lyra International Co., Ltd. sold all of its equity in December 2020; the proceeds have not yet been remitted back to Taiwan and therefore have not been deducted from the investment amount authorized by the Investment Commission, MOEA.

Note 10: The paid-in capital of US\$99,000,000, which was the earnings distributed by Catcher Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., was then invested in Vito Technology (Suqian) Co., Ltd. via Uranus International Co., Ltd. The paid-in capital of US\$33,300,000 and RMB409,431,280, which were the earnings respectively distributed by Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., were then invested in Vito Technology (Suqian) Co., Ltd. via Uranus International Co., Ltd.

Note 11: The paid-in capital of US\$27,332,360 and RMB398,499,193, which were the earnings respectively distributed by Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., were then invested in Arcadia Technology (Suqian) Co., Ltd. via Norma International Co., Ltd. The paid-in capital of US\$89,970,000, which was the proceeds from the capital reduction of Catcher Technology (Suzhou) Co., Ltd., Topo Technology (Suzhou) Co., Ltd., and Meecca Technology (Suzhou Industrial Park) Co., Ltd., was then invested in Arcadia Technology (Suqian) Co., Ltd. via Norma International Co., Ltd. The paid-in capital of US\$21,501,167, which was the earning distributed by Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., was then invested in Arcadia Technology (Suqian) Co., Ltd. via Norma International Co., Ltd.

Note 12: The paid-in capital of US\$17,610,861 and RMB529,989,796, which were the earnings distributed by Catcher Technology (Suzhou) Co., Ltd. and Topo Technology (Suzhou) Co., Ltd. to Nanomag International Co., Ltd., were then invested in Meecca Technology (Taizhou) Co., Ltd. via Lyra International Co., Ltd. The paid-in capital of US\$20,000,000 and RMB284,660,400, which were the earnings and liquidation income distributed by Catcher Technology (Suzhou) Co., Ltd. and earnings distributed by Topo Technology (Suzhou) Co., Ltd. and Meecca Technology (Suzhou Industrial Park) Co., Ltd. to Nanomag International Co., Ltd., were then invested in Meecca Technology (Taizhou) Co., Ltd. via Lyra International Co., Ltd. The paid-in capital of US\$18,000,000, which was the earning distributed by Lyra International Co., Ltd. to Topo Technology (Taizhou) Co., Ltd., was invested in Meecca Technology (Taizhou) Co., Ltd. Lyra International Co., Ltd. sold all of its equity in December 2020; the proceeds have not yet been remitted back to Taiwan and therefore have not been deducted from the investment amount authorized by the Investment Commission, MOEA.

Note 13: Calculated based on the USD to NTD exchange rate of 32.27 as at the end of period.

Calculated based on the RMB to NTD exchange rate of 4.4946 as at the end of period.

Note 14: WIT Technology (Taizhou) Co., Ltd. was dissolved in June 2012; the remaining share capital has not yet been remitted back to Taiwan and therefore has not been deducted from the investment amount authorized by the Investment Commission, MOEA.

Note 15: Sagitta International Co., Ltd. sold all of its shares of Chaohu Yunhai Magnesium Co., Ltd. in June 2016, but has not remitted the proceeds back to Taiwan. The investment thus has not been deducted from the investment amount authorized by the Investment Commission, MOEA.

Note 16: The paid-in capital of US\$71,010,000 and RMB188,956,820, which were the returned capital resulting from liquidating Catcher Technology (Suzhou) Co., Ltd. and the returned capital resulting from the capital reduction of Topo Technology (Suzhou) Co., Ltd. and Meecca Technology (Suzhou Industrial Park) Co., Ltd., were reinvested in Envio Technology (Suqian) Co., Ltd. through Norma International Co., Ltd.

Note 17: Aquila Technology (Suqian) Co., Ltd. was dissolved in February 2022; the proceeds have not been remitted back to Taiwan and therefore have not been deducted from the investment amount authorized by the Investment Commission, MOEA.

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS
JANUARY 1 TO SEPTEMBER 30, 2023
(In Thousands of New Taiwan Dollars)

No.	Company Name	Transaction Counterparty	Relationship (Note 1)	Transaction Details			
				Account	Amount (Note 2)	Payment Terms	% of Total Sales or Assets
0	Catcher Technology (Suqian) Co., Ltd.	Vito Technology (Suqian) Co., Ltd.	3	Other receivables from related parties	\$ 270,743		0.10
				Processing fees income	652,951	Calculated based on general transaction prices; settled monthly; credit on 30-90 days	4.42
				Processing expense	93,189	Calculated based on general transaction prices; settled monthly; credit on 30-90 days	0.63
				Purchase of property, plant and equipment	156,578	Price negotiation adopted, credit on 120 days upon acceptance	1.06
		Arcadia Technology (Suqian) Co., Ltd.	3	Receivables from related parties	1,814,826		0.69
				Sales revenue	1,986,101	Calculated based on general transaction prices; settled monthly; credit on 30-90 days	0.76
				Purchases	94,124	Calculated based on general transaction prices; settled monthly; credit on 30-90 days	0.64
		Envio Technology (Suqian) Co., Ltd.	3	Receivables from related parties	436,658		0.17
				Sales revenue	453,692	Calculated based on general transaction prices; settled monthly; credit on 30-90 days	3.07
1	Vito Technology (Suqian) Co., Ltd.	Arcadia Technology (Suqian) Co., Ltd.	3	Receivables from related parties	1,211,406		0.46
				Other receivables from related parties	809,028		0.31
				Sales revenue	1,559,237	Calculated based on general transaction prices; settled monthly; credit on 30-90 days	10.56
				Purchases	58,962	Calculated based on general transaction prices; settled monthly; credit on 30-90 days	0.40
		Catcher Technology (Suqian) Co., Ltd.	3	Receivables from related parties	202,388		1.37

Note 1: The relationships with the transaction counterparty include:

1. Transactions from the parent company to subsidiaries.
2. Transactions from subsidiaries to the parent company.
3. Transactions between subsidiaries.

Note 2: Written off at the time of preparing the consolidated financial report.

Table 11

CATCHER TECHNOLOGY CO., LTD. AND SUBSIDIARIES

STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT

JANUARY 1 TO SEPTEMBER 30, 2023 AND 2022

(In Thousands of New Taiwan Dollars)

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Miscellaneous Equipment	Total
<u>Cost</u>							
Balance at January 1, 2023	\$ 1,865,382	\$ 16,128,894	\$ 51,401,009	\$ 152,669	\$ 2,235,511	\$ 4,010,177	\$ 75,793,642
Additions	-	6,078	314,540	174	26,549	69,160	416,501
Disposals	-	-	(1,007,001)	(5,318)	(481)	(3,251)	(1,016,051)
Reclassifications	(193,165)	(23,526)	470,406	-	-	7,068	260,783
Effect of foreign currency exchange difference	-	<u>252,392</u>	(<u>87,735</u>)	<u>1,758</u>	<u>29,788</u>	<u>51,936</u>	<u>248,139</u>
Balance at September 30, 2023	<u>\$ 1,672,217</u>	<u>\$ 16,363,838</u>	<u>\$ 51,091,219</u>	<u>\$ 149,283</u>	<u>\$ 2,291,367</u>	<u>\$ 4,135,090</u>	<u>\$ 75,703,014</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2023	\$ -	\$ 7,187,512	\$ 48,283,593	\$ 149,831	\$ 2,213,691	\$ 3,620,620	\$ 61,455,247
Depreciation expense	-	529,802	1,346,580	2,650	45,106	189,940	2,114,078
Disposals	-	-	(1,006,273)	(5,318)	(481)	(3,192)	(1,015,264)
Reclassifications	-	(989)	-	-	-	-	(989)
Impairment losses	-	-	(446)	-	-	-	(446)
Effect of foreign currency exchange difference	-	<u>133,026</u>	(<u>121,324</u>)	<u>1,732</u>	<u>28,318</u>	<u>47,779</u>	<u>89,531</u>
Balance at September 30, 2023	<u>\$ -</u>	<u>\$ 7,849,351</u>	<u>\$ 48,502,130</u>	<u>\$ 148,895</u>	<u>\$ 2,286,634</u>	<u>\$ 3,855,147</u>	<u>\$ 62,642,157</u>
Net amount as of January 1, 2023	<u>\$ 1,865,382</u>	<u>\$ 8,941,382</u>	<u>\$ 3,117,416</u>	<u>\$ 2,838</u>	<u>\$ 21,820</u>	<u>\$ 389,557</u>	<u>\$ 14,338,395</u>
Net amount as of September 30, 2023	<u>\$ 1,672,217</u>	<u>\$ 8,514,487</u>	<u>\$ 2,589,089</u>	<u>\$ 388</u>	<u>\$ 4,733</u>	<u>\$ 279,943</u>	<u>\$ 13,060,857</u>
<u>Cost</u>							
Balance at January 1, 2022	\$ 2,577,548	\$ 15,919,559	\$ 53,309,912	\$ 151,685	\$ 2,174,579	\$ 3,778,489	\$ 77,911,772
Additions	-	27,383	84,477	39	29,346	185,436	326,681
Disposals	-	-	(900,746)	(530)	(812)	(19,410)	(921,498)
Reclassifications	(507,107)	(19,575)	72,110	-	995	1,318	(452,259)
Disposals of subsidiaries	-	-	-	-	-	(21,523)	(21,523)
Effect of foreign currency exchange difference	-	<u>386,048</u>	(<u>974,848</u>)	<u>2,831</u>	<u>44,201</u>	<u>74,690</u>	(<u>467,078</u>)
Balance at September 30, 2022	<u>\$ 2,070,441</u>	<u>\$ 16,313,415</u>	<u>\$ 51,590,905</u>	<u>\$ 154,025</u>	<u>\$ 2,248,309</u>	<u>\$ 3,999,000</u>	<u>\$ 76,376,095</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2022	\$ -	\$ 6,343,048	\$ 48,164,442	\$ 138,110	\$ 2,127,677	\$ 3,270,148	\$ 60,043,425
Depreciation expense	-	576,064	1,665,547	8,743	76,876	281,779	2,609,009
Disposals	-	-	(791,804)	(330)	(812)	(19,151)	(812,097)
Reclassifications	-	(691)	-	-	-	-	(691)
Disposals of subsidiaries	-	-	-	-	-	(21,523)	(21,523)
Effect of foreign currency exchange difference	-	<u>174,719</u>	(<u>1,078,471</u>)	<u>2,515</u>	<u>39,954</u>	<u>63,342</u>	(<u>797,941</u>)
Balance at September 30, 2022	<u>\$ -</u>	<u>\$ 7,093,140</u>	<u>\$ 47,959,714</u>	<u>\$ 149,038</u>	<u>\$ 2,243,695</u>	<u>\$ 3,574,595</u>	<u>\$ 61,020,182</u>
Net amount as of September 30, 2022	<u>\$ 2,070,441</u>	<u>\$ 9,220,275</u>	<u>\$ 3,631,191</u>	<u>\$ 4,987</u>	<u>\$ 4,614</u>	<u>\$ 424,405</u>	<u>\$ 15,355,913</u>