

**Walsin Lihwa Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2024 and 2023 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Walsin Lihwa Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Walsin Lihwa Corporation and its subsidiaries (collectively, the "Group") as of March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2024 and 2023, and the notes to the consolidated financial statements, including a summary of material accounting policy information (collectively referred to as the "consolidated financial statements"). 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 of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews and the review reports of other auditors (refer to the Other Matter section), nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Emphasis of Matter

As disclosed in Note 20 to the consolidated financial statements, the Group acquired 50.10% interest in PT. Sunny Metal Industry on September 23, 2022. The Purchase Price Allocation Report was finalized in 2023. Therefore, the initial accounting treatment and provisionally determined amounts from the acquisition date were adjusted and retrospectively restated for comparative periods. Our review result is not modified in respect of this matter.

Other Matter

We did not review the financial statements of some subsidiaries included in the consolidated financial statements of the Group, but such statements were reviewed by other auditors. Our conclusion, insofar as it relates to the amounts included in these consolidated financial statements for such subsidiaries, is based solely on the reviews of other auditors. As of March 31, 2024 and 2023, the combined total assets of these subsidiaries were NT\$39,006,491 thousand and NT\$32,874,833 thousand, respectively, representing 14.68% and 12.88%, respectively, of the consolidated total assets; for the three months ended March 31, 2024 and 2023, the amounts of combined net operating revenue of these subsidiaries were NT\$8,347,927 thousand and NT\$10,519,543 thousand, respectively, representing 20.59% and 20.74%, respectively, of the consolidated net operating revenue.

The engagement partners on the reviews resulting in this independent auditors' review report are Wen-Yea Shyu and Ker-Chang Wu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 3, 2024

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 review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review 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' review report and consolidated financial statements shall prevail.

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2024		December 31, 2023		March 31, 2023 (Restated)		January 1, 2023 (Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
CURRENT ASSETS								
Cash and cash equivalents (Note 6)	\$ 12,313,790	5	\$ 16,347,012	6	\$ 8,257,051	3	\$ 19,438,759	8
Financial assets at fair value through profit or loss - current (Note 7)	1,339,835	1	1,508,943	1	150,209	-	7,631	-
Financial assets at amortized cost - current (Note 8)	737	-	727	-	1,509	-	2,202	-
Financial assets for hedging - current (Note 9)	9,427	-	346,441	-	15,460	-	20,615	-
Contract assets - current (Note 10)	957,486	-	996,025	-	2,446,676	1	3,022,237	1
Notes receivable (Notes 11 and 36)	891,715	-	920,752	-	1,826,797	1	4,537,322	2
Trade receivables (Notes 11, 36 and 37)	17,192,902	7	14,991,531	6	19,312,036	8	17,294,990	7
Finance lease receivables (Notes 12 and 37)	62,589	-	62,067	-	60,526	-	60,020	-
Other receivables (Note 36)	3,495,588	1	3,707,450	2	6,202,647	2	3,857,091	1
Inventories (Note 13)	37,152,912	14	33,704,296	13	36,151,920	14	36,080,291	14
Other financial assets - current (Notes 6 and 37)	182,159	-	788,894	-	456,037	-	505,340	-
Other current assets (Note 22)	<u>5,416,435</u>	<u>2</u>	<u>5,377,850</u>	<u>2</u>	<u>9,623,805</u>	<u>4</u>	<u>7,880,887</u>	<u>3</u>
Total current assets	<u>79,015,575</u>	<u>30</u>	<u>78,751,988</u>	<u>30</u>	<u>84,504,673</u>	<u>33</u>	<u>92,707,385</u>	<u>36</u>
NON-CURRENT ASSETS								
Financial assets at fair value through profit or loss - non-current (Note 7)	77,307	-	1,263,649	-	2,599,155	1	2,639,755	1
Financial assets at fair value through other comprehensive income - non-current (Note 14)	20,874,062	8	18,823,172	7	16,568,020	7	12,342,232	5
Financial assets at amortized cost - non-current (Note 8)	127,439	-	184,613	-	186,500	-	189,242	-
Financial assets for hedging - non-current (Note 9)	66,597	-	53,439	-	132,470	-	144,404	-
Investments accounted for using the equity method (Note 16)	43,922,921	16	49,640,171	19	46,746,078	18	46,189,399	18
Property, plant and equipment (Notes 17 and 37)	81,865,436	31	78,154,936	29	67,915,897	27	65,656,466	26
Right-of-use assets (Note 18)	5,156,394	2	4,719,043	2	4,486,323	2	4,309,355	2
Investment properties (Note 19)	15,471,241	6	15,514,751	6	16,010,594	6	16,123,806	6
Goodwill (Note 20)	4,213,351	2	4,157,877	1	283,730	-	286,139	-
Other intangible assets (Note 21)	8,090,829	3	7,997,819	3	8,722,283	4	9,053,283	4
Deferred tax assets (Note 4)	4,926,968	2	4,234,852	2	3,570,752	1	3,448,277	1
Refundable deposits (Notes 6 and 37)	301,349	-	158,940	-	241,940	-	288,948	-
Finance lease receivables - non-current (Notes 12 and 37)	524,612	-	540,456	-	587,201	-	602,523	-
Other non-current assets (Notes 6, 22 and 37)	<u>1,041,353</u>	<u>-</u>	<u>2,174,325</u>	<u>1</u>	<u>2,717,821</u>	<u>1</u>	<u>2,916,527</u>	<u>1</u>
Total non-current assets	<u>186,659,859</u>	<u>70</u>	<u>187,618,043</u>	<u>70</u>	<u>170,768,764</u>	<u>67</u>	<u>164,190,356</u>	<u>64</u>
TOTAL	<u>\$ 265,675,434</u>	<u>100</u>	<u>\$ 266,370,031</u>	<u>100</u>	<u>\$ 255,273,437</u>	<u>100</u>	<u>\$ 256,897,741</u>	<u>100</u>
LIABILITIES AND EQUITY								
CURRENT LIABILITIES								
Short-term borrowings (Note 23)	\$ 13,008,707	5	\$ 11,508,074	4	\$ 10,579,353	4	\$ 17,120,571	7
Financial liabilities at fair value through profit or loss - current (Note 7)	-	-	22,746	-	18,378	-	64,772	-
Financial liabilities for hedging - current (Note 9)	12,405	-	5,878	-	66,311	-	222,272	-
Contract liabilities - current	22,579	-	13,828	-	13,881	-	6,014	-
Notes payable (Note 36)	391,482	-	317,865	-	176,295	-	591,536	-
Trade payables (Note 36)	16,368,707	6	16,390,669	6	18,295,498	7	17,497,315	7
Other payables (Note 25)	16,147,924	6	12,069,796	5	20,575,641	8	15,315,705	6
Current tax liabilities (Note 4)	3,971,999	1	5,861,143	2	6,328,478	3	6,103,462	2
Lease liabilities - current (Note 18)	244,703	-	257,859	-	217,009	-	245,223	-
Current portion of long-term borrowings and bonds payable (Notes 23 and 24)	1,850,582	1	1,640,420	1	1,188,819	1	1,207,209	1
Other current liabilities	<u>1,571,155</u>	<u>1</u>	<u>2,671,050</u>	<u>1</u>	<u>2,629,298</u>	<u>1</u>	<u>2,495,289</u>	<u>1</u>
Total current liabilities	<u>53,590,243</u>	<u>20</u>	<u>50,759,328</u>	<u>19</u>	<u>60,088,961</u>	<u>24</u>	<u>60,869,368</u>	<u>24</u>
NON-CURRENT LIABILITIES								
Financial liabilities at fair value through profit or loss - non-current (Note 7)	430,782	-	484,429	-	393,633	-	363,192	-
Financial liabilities for hedging - non-current (Note 9)	-	-	2,705	-	-	-	-	-
Bonds payable (Note 24)	12,953,797	5	12,951,405	5	7,746,245	3	7,742,955	3
Long-term borrowings (Note 23)	33,418,726	13	31,924,532	12	36,452,897	14	40,820,860	16
Long-term notes and bills payable (Note 23)	1,498,894	1	2,998,822	1	2,997,825	1	1,497,914	1
Deferred tax liabilities (Note 4)	6,054,607	2	6,587,732	3	6,044,171	3	5,782,915	2
Lease liabilities - non-current (Note 18)	2,739,500	1	2,765,167	1	2,467,003	1	2,309,732	1
Net defined benefit liabilities non-current (Note 4)	297,647	-	349,381	-	321,206	-	348,779	-
Other non-current liabilities (Note 33)	<u>3,211,630</u>	<u>1</u>	<u>3,097,217</u>	<u>1</u>	<u>3,018,782</u>	<u>1</u>	<u>2,952,903</u>	<u>1</u>
Total non-current liabilities	<u>60,605,583</u>	<u>23</u>	<u>61,161,390</u>	<u>23</u>	<u>59,441,762</u>	<u>23</u>	<u>61,819,250</u>	<u>24</u>
Total liabilities	<u>114,195,826</u>	<u>43</u>	<u>111,920,718</u>	<u>42</u>	<u>119,530,723</u>	<u>47</u>	<u>122,688,618</u>	<u>48</u>
EQUITY ATTRIBUTABLE TO OWNERS OF WLC (Note 27)								
Share capital	<u>40,313,329</u>	<u>15</u>	<u>40,313,329</u>	<u>15</u>	<u>37,313,329</u>	<u>15</u>	<u>37,313,329</u>	<u>14</u>
Capital surplus	<u>33,600,788</u>	<u>13</u>	<u>33,624,917</u>	<u>13</u>	<u>24,637,494</u>	<u>10</u>	<u>24,672,454</u>	<u>10</u>
Retained earnings								
Legal reserve	9,538,222	3	9,538,222	4	7,564,090	3	7,564,090	3
Special reserve	2,712,250	1	2,712,250	1	2,712,250	1	2,712,250	1
Unappropriated earnings	<u>44,667,578</u>	<u>17</u>	<u>48,340,145</u>	<u>18</u>	<u>47,137,847</u>	<u>18</u>	<u>51,762,058</u>	<u>20</u>
Total retained earnings	<u>56,918,050</u>	<u>21</u>	<u>60,590,617</u>	<u>23</u>	<u>57,414,187</u>	<u>22</u>	<u>62,038,398</u>	<u>24</u>
Other equity								
Exchange differences on translation of the financial statement of foreign operations	(1,806,793)	(1)	(4,947,475)	(2)	(4,271,403)	(2)	(4,256,774)	(2)
Unrealized gain on financial assets at fair value through other comprehensive income	15,341,999	6	14,068,677	5	12,754,628	5	6,693,877	3
Loss on hedging instruments	(40,821)	-	(65,100)	-	(39,697)	-	(105,801)	-
Other equity - other	<u>(2,774,650)</u>	<u>(1)</u>	<u>(2,774,650)</u>	<u>(1)</u>	<u>(2,774,607)</u>	<u>(1)</u>	<u>(2,774,607)</u>	<u>(1)</u>
Total other equity	<u>10,719,735</u>	<u>4</u>	<u>6,281,452</u>	<u>2</u>	<u>5,668,921</u>	<u>2</u>	<u>(443,305)</u>	<u>-</u>
Total equity attributable to owners of WLC	141,551,902	53	140,810,315	53	125,033,931	49	123,580,876	48
NON-CONTROLLING INTERESTS	<u>9,927,706</u>	<u>4</u>	<u>13,638,998</u>	<u>5</u>	<u>10,708,783</u>	<u>4</u>	<u>10,628,247</u>	<u>4</u>
Total equity	<u>151,479,608</u>	<u>57</u>	<u>154,449,313</u>	<u>58</u>	<u>135,742,714</u>	<u>53</u>	<u>134,209,123</u>	<u>52</u>
TOTAL	<u>\$ 265,675,434</u>	<u>100</u>	<u>\$ 266,370,031</u>	<u>100</u>	<u>\$ 255,273,437</u>	<u>100</u>	<u>\$ 256,897,741</u>	<u>100</u>

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

(With Deloitte & Touche review report dated May 3, 2024)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2024		2023 (Restated)	
	Amount	%	Amount	%
OPERATING REVENUE (Note 28)	\$ 40,549,837	100	\$ 50,713,578	100
OPERATING COSTS (Note 13)	<u>(37,891,440)</u>	<u>(94)</u>	<u>(46,192,595)</u>	<u>(91)</u>
GROSS PROFIT	<u>2,658,397</u>	<u>6</u>	<u>4,520,983</u>	<u>9</u>
OPERATING EXPENSES				
Selling and marketing expenses	567,176	1	509,506	1
General and administrative expenses	1,519,970	4	1,319,734	3
Research and development expenses	<u>84,309</u>	<u>-</u>	<u>60,996</u>	<u>-</u>
Total operating expenses	<u>2,171,455</u>	<u>5</u>	<u>1,890,236</u>	<u>4</u>
PROFIT FROM OPERATIONS	<u>486,942</u>	<u>1</u>	<u>2,630,747</u>	<u>5</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	112,047	-	116,501	-
Dividend income	508,673	1	346,657	1
Other income	209,140	1	121,786	-
Foreign exchange loss, net	(149,821)	-	(128,896)	-
Gain on valuation of financial assets and liabilities at fair value through profit or loss	129,960	-	154,240	-
Reversal of impairment loss (Note 29)	39	-	1	-
Other expenses	(118,948)	-	(91,129)	-
Loss on disposal of property, plant and equipment	(2,364)	-	(3,518)	-
Gain on disposal of investments (Note 29)	86,306	-	531,087	1
Interest expense	(605,336)	(1)	(455,084)	(1)
Share of profit (loss) of associates accounted for using the equity method	<u>15,310</u>	<u>-</u>	<u>(220,488)</u>	<u>-</u>
Total non-operating income and expenses	<u>185,006</u>	<u>1</u>	<u>371,157</u>	<u>1</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	671,948	2	3,001,904	6
INCOME TAX BENEFIT (EXPENSE) (Notes 4 and 30)	<u>127,788</u>	<u>-</u>	<u>(598,891)</u>	<u>(1)</u>
NET PROFIT FOR THE PERIOD	<u>799,736</u>	<u>2</u>	<u>2,403,013</u>	<u>5</u>

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2024		2023	
	Amount	%	(Restated) Amount	%
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	\$ (775)	-	\$ (723)	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	1,993,594	5	4,201,515	8
Share of the other comprehensive (loss) income of associates accounted for using the equity method	<u>(700,025)</u>	<u>(2)</u>	<u>1,857,078</u>	<u>4</u>
	<u>1,292,794</u>	<u>3</u>	<u>6,057,870</u>	<u>12</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	2,922,662	7	(325,167)	(1)
Gain on hedging instruments	26,326	-	94,579	-
Share of the other comprehensive income of associates accounted for using the equity method	<u>175,696</u>	<u>1</u>	<u>54,655</u>	<u>-</u>
	<u>3,124,684</u>	<u>8</u>	<u>(175,933)</u>	<u>(1)</u>
Other comprehensive income for the period, net of income tax	<u>4,417,478</u>	<u>11</u>	<u>5,881,937</u>	<u>11</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 5,217,214</u>	<u>13</u>	<u>\$ 8,284,950</u>	<u>16</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of WLC	\$ 870,406	2	\$ 2,095,226	4
Non-controlling interests	<u>(70,670)</u>	<u>-</u>	<u>307,787</u>	<u>1</u>
	<u>\$ 799,736</u>	<u>2</u>	<u>\$ 2,403,013</u>	<u>5</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of WLC	\$ 5,328,343	13	\$ 8,204,414	16
Non-controlling interests	<u>(111,129)</u>	<u>-</u>	<u>80,536</u>	<u>-</u>
	<u>\$ 5,217,214</u>	<u>13</u>	<u>\$ 8,284,950</u>	<u>16</u>

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended March 31			
	2024		2023	
	(Restated)			
	Amount	%	Amount	%
EARNINGS PER SHARE (Note 31)				
Basic	\$ 0.22		\$ 0.56	
Diluted	\$ 0.22		\$ 0.56	

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

(With Deloitte & Touche review report dated May 3, 2024)

(Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of WLC											
						Other Equity						
						Exchange Differences on Translation the Financial Statements of Foreign Operations	Unrealized Valuation Gain on Financial Assets at Fair Value through Other Comprehensive Income	(Loss) Gain on Hedging Instrument	Others	Total	Non-controlling Interests	Total Equity
	Share Capital	Capital Surplus	Retained Earnings		Unappropriated Earnings							
			Legal Reserve	Special Reserve								
BALANCE AT JANUARY 1, 2023 (AS RESTATED)	\$ 37,313,329	\$ 24,672,454	\$ 7,564,090	\$ 2,712,250	\$ 51,762,058	\$ (4,256,774)	\$ 6,693,877	\$ (105,801)	\$ (2,774,607)	\$ 123,580,876	\$ 10,628,247	\$ 134,209,123
Appropriation of 2022 earnings												
Cash dividends distributed by WLC	-	-	-	-	(6,716,399)	-	-	-	-	(6,716,399)	-	(6,716,399)
Changes in capital surplus from investments in associates accounted for using the equity method	-	(34,945)	-	-	(17)	-	17	-	-	(34,945)	-	(34,945)
Net profit for the three months ended March 31, 2023	-	-	-	-	2,095,226	-	-	-	-	2,095,226	307,787	2,403,013
Other comprehensive (loss) income for the three months ended March 31, 2023, net of income tax	-	-	-	-	(3,021)	(14,629)	6,060,734	66,104	-	6,109,188	(227,251)	5,881,937
Total comprehensive income (loss) for the three months ended March 31, 2023	-	-	-	-	2,092,205	(14,629)	6,060,734	66,104	-	8,204,414	80,536	8,284,950
Others	-	(15)	-	-	-	-	-	-	-	(15)	-	(15)
BALANCE AT MARCH 31, 2023 (AS RESTATED)	<u>\$ 37,313,329</u>	<u>\$ 24,637,494</u>	<u>\$ 7,564,090</u>	<u>\$ 2,712,250</u>	<u>\$ 47,137,847</u>	<u>\$ (4,271,403)</u>	<u>\$ 12,754,628</u>	<u>\$ (39,697)</u>	<u>\$ (2,774,607)</u>	<u>\$ 125,033,931</u>	<u>\$ 10,708,783</u>	<u>\$ 135,742,714</u>
BALANCE AT JANUARY 1, 2024	\$ 40,313,329	\$ 33,624,917	\$ 9,538,222	\$ 2,712,250	\$ 48,340,145	\$ (4,947,475)	\$ 14,068,677	\$ (65,100)	\$ (2,774,650)	\$ 140,810,315	\$ 13,638,998	\$ 154,449,313
Appropriation of 2023 earnings												
Cash dividends distributed by WLC	-	-	-	-	(4,434,466)	-	-	-	-	(4,434,466)	-	(4,434,466)
Changes in percentage of ownership interests in subsidiaries	-	(26,730)	-	-	(128,161)	-	-	-	-	(154,891)	26,730	(128,161)
Changes in capital surplus from investments in associates accounted for using the equity method	-	2,652	-	-	19,960	-	(19,960)	-	-	2,652	-	2,652
Net profit for the three months ended March 31, 2024	-	-	-	-	870,406	-	-	-	-	870,406	(70,670)	799,736
Other comprehensive (loss) income for the three months ended March 31, 2024, net of income tax	-	-	-	-	(306)	3,140,682	1,293,282	24,279	-	4,457,937	(40,459)	4,417,478
Total comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	870,100	3,140,682	1,293,282	24,279	-	5,328,343	(111,129)	5,217,214
Others	-	(51)	-	-	-	-	-	-	-	(51)	-	(51)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(3,626,893)	(3,626,893)
BALANCE AT MARCH 31, 2024	<u>\$ 40,313,329</u>	<u>\$ 33,600,788</u>	<u>\$ 9,538,222</u>	<u>\$ 2,712,250</u>	<u>\$ 44,667,578</u>	<u>\$ (1,806,793)</u>	<u>\$ 15,341,999</u>	<u>\$ (40,821)</u>	<u>\$ (2,774,650)</u>	<u>\$ 141,551,902</u>	<u>\$ 9,927,706</u>	<u>\$ 151,479,608</u>

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

(With Deloitte & Touche review report dated May 3, 2024)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	2023 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 671,948	\$ 3,001,904
Adjustments for:		
Depreciation expenses	1,896,229	1,590,586
Amortization expenses	328,756	257,232
Expected credit loss recognized on trade receivables	9,265	23,336
Net gain on fair value changes of financial assets and liabilities at fair value through profit	(129,960)	(154,240)
Interest expenses	605,336	455,084
Interest income	(112,047)	(116,501)
Dividend income	(508,673)	(346,657)
Share of profit (loss) of associates accounted for using the equity method	(15,310)	220,488
Loss on disposal of property, plant and equipment	2,364	3,518
Gain on disposal of investments	(86,306)	(531,087)
Impairment loss reversed on non-financial assets	(39)	(1)
Loss on lease modification	-	10
Unrealized gain on foreign currency exchange	(90,055)	(57,501)
Changes in operating assets and liabilities		
Decrease in contract assets	38,539	575,561
Decrease in notes receivable	73,136	2,710,525
Increase in trade receivables	(1,041,375)	(2,040,382)
Decrease in other receivables	130,912	405,780
Increase in inventories	(2,749,146)	(71,629)
Decrease (increase) in other current assets	127,447	(2,213,029)
Decrease in other financial assets	606,735	49,303
Decrease in other operating assets	16,840	432,614
Increase in financial liabilities held for trading	340,700	469,017
Decrease in notes payable	(168,807)	(415,241)
(Decrease) increase in trade payables	(429,165)	798,183
Increase in contract liabilities	10,286	6,949
Decrease in other payables	(953,993)	(1,442,187)
Decrease in net defined benefit liabilities	(51,734)	(27,573)
Increase in other current liabilities	674,691	242,803
Increase in other operating liabilities	71,207	37,059
Cash (used in) generated from operations	(732,219)	3,863,924
Interest received	75,070	88,289
Dividends received	243	2,230
Interest paid	(521,349)	(410,623)
Income tax paid	(2,950,169)	(46,269)
Net cash (used in) generated from operating activities	(4,128,424)	3,497,551

(Continued)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2024	2023 (Restated)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ -	\$ (23,994)
Disposal of financial assets at amortized cost	63,840	-
Disposal of financial assets for hedging	342,913	-
Disposal of investments accounted for using the equity method	2,790,164	-
Net cash outflow on acquisition of subsidiary	(601,259)	-
Payments for property, plant and equipment	(2,953,557)	(5,160,378)
Proceeds from disposal of property, plant and equipment	720	1,540
(Increase) decrease in refundable deposits	(138,517)	47,673
Purchase of intangible assets	(17,053)	(203)
Purchase of investment properties	(1,067)	-
Other investing activities	<u>1,629,121</u>	<u>(1,449,025)</u>
Net cash generated from (used in) investing activities	<u>1,115,305</u>	<u>(6,584,387)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	839,260	(6,545,206)
Proceeds from long-term borrowings	1,789,257	6,528,500
Repayment of long-term borrowings	(201,204)	(10,938,044)
(Decrease) increase in long-term notes and bills payable	(1,499,928)	1,499,911
(Decrease) increase in other payables	(112,764)	1,439,233
Repayment of the principal portion of lease liabilities	(76,179)	(118,497)
Acquisition of additional interests in subsidiary	(3,111,343)	-
Changes in non-controlling interests	(27,782)	-
Other financing activities	<u>(51)</u>	<u>(15)</u>
Net cash used in financing activities	<u>(2,400,734)</u>	<u>(8,134,118)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>1,380,631</u>	<u>39,246</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(4,033,222)</u>	<u>(11,181,708)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>16,347,012</u>	<u>19,438,759</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 12,313,790</u>	<u>\$ 8,257,051</u>

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

(With Deloitte & Touche review report dated May 3, 2024)

(Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023 (In Thousands of New Taiwan Dollars)

1. GENERAL INFORMATION

Walsin Lihwa Corporation (WLC) was incorporated in December 1966 and commenced operations in December 1966. To diversify its operations, WLC made various investments in construction, electronics, material science, real estate, etc. WLC's main products are wires, cables, stainless steel, resource business and real estate.

WLC's shares have been listed on the Taiwan Stock Exchange (TWSE) since November 1972. In October 1995, November 2010 and June 2023, WLC increased its share capital and issued global depositary receipts (GDRs), which were listed on the Luxembourg Stock Exchange.

The consolidated financial statements are presented in WLC's functional currency, the New Taiwan dollar.

2. APPROVAL OF CONSOLIDATE FINANCIAL STATEMENTS

The consolidated financial statements of WLC and its subsidiaries (collectively, the "Group") were approved by the board of directors of WLC on May 3, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Except for the following, the initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group's accounting policies:

- 1) Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

The Group applied the amendments to sale and leaseback transactions entered into on or after the date of initial application to IFRS 16. The amendments clarify that the liability that arises from a sale and leaseback transaction - that satisfies the requirements in IFRS 15 to be accounted for as a sale - is a lease liability to which IFRS 16 applies. However, if the lease in a leaseback that includes variable lease payments that do not depend on an index or rate, the seller-lessee shall measure lease liabilities arising from a leaseback in such a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The seller-lessee subsequently recognizes in profit or loss the difference between the payments made for the lease and the lease payments that reduce the carrying amount of the lease liability. If the sale and leaseback transaction is accounted for as a sale and the leaseback includes variable lease payments that do not depend on an index or rate, the Group measures the right-of-use asset arising from the leaseback at the proportion of the right of use retained by comparing the present value of expected payments for the lease with the fair value of the asset.

- 2) Amendments to IAS 1 “Classification of Liabilities as Current or Non-current” (referred to as the “2020 amendments”) and “Non-current Liabilities with Covenants” (referred to as the “2022 amendments”)

The 2020 amendments clarify that for a liability to be classified as non-current, the Group shall assess whether it has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. If such rights exist at the end of the reporting period, the liability is classified as non-current regardless of whether the Group will exercise that right.

The 2020 amendments also stipulate that, if the right to defer settlement is subject to compliance with specified conditions, the Group must comply with those conditions at the end of the reporting period even if the lender does not test compliance until a later date. The 2022 amendments further clarify that only covenants with which an entity is required to comply on or before the reporting date should affect the classification of a liability as current or non-current. Although the covenants to be complied with within twelve months after the reporting period do not affect the classification of a liability, the Group shall disclose information that enables users of financial statements to understand the risk of the Group, which may have difficulty complying with the covenants and repaying its liabilities within twelve months after the reporting period.

The 2020 amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to a transfer of cash, other economic resources or the Group’s own equity instruments to the counterparty that results in the extinguishment of the liability. However, if the terms of a liability that, at the option of the counterparty, result in its settlement by a transfer of the Group’s own equity instruments, and if such an option is recognized separately as equity in accordance with IAS 32 “Financial Instruments: Presentation”, the aforementioned terms would not affect the classification of the liability.

- 3) Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”

The Group has applied the amendments since January 1, 2024. The amendments stipulate that supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, the suppliers are paid. The Group shall disclose the relevant information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the Group’s liabilities and cash flows and on the Group’s exposure to liquidity risk. Certain information is exempt from disclosure upon the first application of the amendments. The Group will disclose the above information from the consolidated financial statements for the year ended December 31, 2024.

The impact of the application of the IFRS Accounting Standards endorsed and issued into effect by the FSC will not have a material impact on the Group’s financial position and financial performance.

- b. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosures in Financial Statements”	January 1, 2027
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note 2)

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

Note 2: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate, or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated.

2) Amendments to IAS 21 “Lack of Exchangeability”

The amendments stipulate that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. An entity shall estimate the spot exchange rate at a measurement date when a currency is not exchangeable into another currency to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. In this situation, the Group shall disclose information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, its financial performance, financial position and cash flows.

3) IFRS 18 “Presentation and Disclosures in Financial Statements”

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as ‘other’ only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of other standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. Reclassification

The management of the Group considers the bank deposits repatriated for restricted purpose for the use of substantial investments and financial investments in accordance with the Management, Utilization, and Taxation of Repatriated Offshore Funds Act. do not change the nature of the deposit as the entity can access those amounts on demand. The management concludes that the presentation of cash and cash equivalents is more appropriate and, therefore, has changed the presentation of the consolidated balance sheets and consolidated statements of cash flows in 2023. The other financial assets were reclassified to cash and cash equivalents with a carrying amount of \$40,325 thousand on March 31, 2023. The impact on cash flows for the three months ended March 31, 2023 was as follows:

	Adjustments
Net cash used in operating activities	\$ (461)
Net decrease in cash and cash equivalents	\$ (461)

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

The interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

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 are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

See Note 15, Table 7 and Table 8 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2023.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Refer to the consolidated financial statements for the year ended December 31, 2023 for the material accounting judgments and key sources of estimation uncertainty of these consolidated financial statements.

6. CASH AND CASH EQUIVALENTS

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand	\$ 3,195	\$ 3,613	\$ 3,947
Checking accounts and cash in banks	10,860,356	13,901,500	7,425,143
Cash equivalents			
Time deposits	675,656	2,068,397	404,498
Short-term bills	774,583	350,122	383,138
Foreign exchange deposit account for offshore funds	-	23,380	40,325
	<u>\$ 12,313,790</u>	<u>\$ 16,347,012</u>	<u>\$ 8,257,051</u>

Other bank deposits have been reclassified to other accounts for the following purposes:

Purpose		March 31, 2024	December 31, 2023	March 31, 2023
Other financial assets - current				
Restricted deposits	To meet contract requirements for completing construction	\$ 110,286	\$ 81,640	\$ 34,354
	To secure short-term borrowings and letters of credit	71,873	25,306	369,988
Refundable deposits	Futures deposits	<u>-</u>	<u>2,348</u>	<u>51,580</u>
		<u>182,159</u>	<u>109,294</u>	<u>455,922</u>
Refundable deposits				
Other - pledged time deposits	To meet contract requirements for completing construction	51,951	62,080	51,718
Other non-current assets - other				
Restricted deposits	To meet construction project and performance letter of guarantee	11,275	10,838	11,078
Pledged time deposits	To meet required security deposit	<u>1,461</u>	<u>1,427</u>	<u>1,444</u>
		<u>64,687</u>	<u>74,345</u>	<u>64,240</u>
		<u>\$ 246,846</u>	<u>\$ 183,639</u>	<u>\$ 520,162</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Commodity futures contracts	\$ 105,942	\$ 68,624	\$ 145,280
Options	1,151	10,142	4,682
Exchange rate swap contracts	9,530	-	247
Foreign exchange forward contracts	27,340	-	-
Non-derivative financial assets			
Contingent consideration	1,195,872	2,614,285	2,528,842
Foreign unlisted shares	<u>77,307</u>	<u>79,541</u>	<u>70,313</u>
Financial assets at FVTPL	<u>\$ 1,417,142</u>	<u>\$ 2,772,592</u>	<u>\$ 2,749,364</u>
Current	\$ 1,339,835	\$ 1,508,943	\$ 150,209
Non-current	<u>77,307</u>	<u>1,263,649</u>	<u>2,599,155</u>
	<u>\$ 1,417,142</u>	<u>\$ 2,772,592</u>	<u>\$ 2,749,364</u>

(Continued)

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial liabilities held for trading</u>			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	\$ -	\$ 16,041	18,378
Exchange rate swap contracts	-	6,705	-
Non-derivative financial liabilities			
Contingent consideration	<u>430,782</u>	<u>484,429</u>	<u>393,633</u>
Financial liabilities at FVTPL	<u>\$ 430,782</u>	<u>\$ 507,175</u>	<u>\$ 412,011</u>
Current	\$ -	\$ 22,746	\$ 18,378
Non-current	<u>430,782</u>	<u>484,429</u>	<u>393,633</u>
	<u>\$ 430,782</u>	<u>\$ 507,175</u>	<u>\$ 412,011</u>
			(Concluded)

- a. As of March 31, 2024, December 31, 2023 and March 31, 2023, outstanding commodity futures not under hedge accounting were as follows:

	Type of Transaction	Quantity (Tons)	Trade Date	Expiration Date	Exercise Price (In Thousands)	Market Price (In Thousands)	Valuation (Loss) Gain (In Thousands)
<u>March 31, 2024</u>							
Commodity futures contracts							
Copper	Buy	12,341	2023.11.06-2024.03.28	2024.04.17-2024.08.21	US\$ 105,665	US\$ 108,700	US\$ 3,035
Copper	Sell	375	2024.03.22-2024.03.28	2024.04.17	US\$ 3,285	US\$ 3,299	US\$ (14)
Nickel	Buy	90	2024.03.26-2024.03.27	2024.06.26-2024.06.27	US\$ 1,501	US\$ 1,497	US\$ (4)
Nickel	Sell	366	2024.01.25-2024.02.29	2024.04.25-2024.05.29	US\$ 6,364	US\$ 6,070	US\$ 294
<u>December 31, 2023</u>							
Commodity futures contracts							
Copper	Buy	13,300	2023.08.21-2023.12.29	2024.01.17-2024.06.19	US\$ 110,946	US\$ 113,261	US\$ 2,315
Nickel	Buy	150	2023.11.01-2023.11.24	2024.02.01-2024.02.23	US\$ 2,550	US\$ 2,478	US\$ (72)
Zinc	Sell	150	2023.10.30	2024.01.01	RMB 3,176	RMB 3,233	RMB (57)
<u>March 31, 2023</u>							
Commodity futures contracts							
Copper	Buy	11,850	2022.11.08-2023.03.31	2023.04.19-2023.08.16	US\$ 102,988	US\$ 106,399	US\$ 3,411
Copper	Sell	1,875	2023.03.22-2023.03.31	2023.04.19-2023.04.19	US\$ 16,778	US\$ 16,875	US\$ (97)
Nickel	Sell	1,452	2023.02.01-2023.03.31	2023.04.19-2023.06.30	US\$ 35,609	US\$ 34,201	US\$ 1,408
Zinc	Sell	250	2023.01.19-2023.03.24	2023.04.30-2023.06.30	RMB 5,818	RMB 5,686	RMB 132
Copper	Buy	405	2023.02.22-2023.03.31	2023.05.30	RMB 27,922	RMB 28,123	RMB 201

- b. As of March 31, 2024, December 31, 2023 and March 31, 2023, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>March 31, 2024</u>			
Sell	USD to NTD	2024.04.02-2024.04.26	USD105,000/NTD3,355,575
	USD to IDR	2024.04.04-2024.06.27	USD61,672/IDR976,459,411
	USD to RMB	2024.04.23-2024.05.28	USD19,000/RMB136,392
	EUR to RMB	2024.04.17	EUR2,036/RMB16,000
	EUR to MYR	2024.04.19-2024.06.04	EUR492/MYR2,157
	EUR to USD	2024.04.23-2024.06.03	EUR43,000/USD46,765
Buy	USD to IDR	2024.04.17-2024.04.18	USD75,000/IDR1,178,234,950
	USD to NTD	2024.04.23	USD20,000/NTD635,760
	USD to SGD	2024.05.20	USD500/SGD664
	USD to JPY	2024.05.22	USD9,000/JPY1,353,105
	EUR to BRL	2024.04.10-2024.07.31	EUR2,339/BRL12,760
	EUR to RMB	2024.04.17	EUR2,042/RMB16,000
	EUR to GBP	2024.04.18-2024.06.28	EUR15,649/GBP13,450
	EUR to SEK	2024.04.30-2024.08.30	EUR3,937/SEK44,500
	EUR to ZAR	2024.05.22	EUR53/ZAR1,100
<u>December 31, 2023</u>			
Sell	EUR to USD	2024.01.02-2024.01.22	EUR7,572/USD8,242
	USD to RMB	2024.01.02-2024.03.04	USD32,000/RMB227,033
	EUR to MYR	2024.02.02-2024.04.19	EUR510/MYR2,583
Buy	USD to RMB	2024.01.02	USD5,000/RMB35,629
	USD to JPY	2024.01.29	USD3,500/JPY495,565
	USD to IDR	2024.01.02-2024.02.01	USD78,000/IDR1,205,962,000
	USD to SGD	2024.01.16-2024.02.27	USD4,000/SGD5,331
	EUR to GBP	2024.01.31-2024.03.28	EUR9,795/GBP8,500
	EUR to BRL	2024.01.19-2024.04.23	EUR3,786/BRL20,420
	EUR to KRW	2024.02.29	EUR128/KRW183,000
	EUR to RMB	2024.03.28	EUR3,674/RMB28,800
	EUR to SEK	2024.01.31-2024.04.30	EUR4,177/SEK48,100
<u>March 31, 2023</u>			
Sell	USD to IDR	2023.04.06	USD31,000/IDR471,322,980
	EUR to USD	2023.04.11-2023.04.24	EUR9,000/USD9,619
	USD to RMB	2023.04.13-2023.05.05	USD68,953/RMB475,985
	EUR to MYR	2023.04.14-2023.09.25	EUR1,633/MYR7,772
Buy	USD to JPY	2023.04.06	USD3,000/JPY406,329
	USD to IDR	2023.04.06	USD108,000/IDR1,637,856,000
	USD to RMB	2023.04.06	USD11,651/RMB80,313
	EUR to USD	2023.04.06	EUR10,929/USD11,651
	EUR to TRY	2023.04.28	EUR336/TRY7,000
	EUR to ZAR	2023.05.17-2023.07.19	EUR568/ZAR10,956
	EUR to GBP	2023.04.28-2023.06.30	EUR3,726/GBP3,300
	EUR to BRL	2023.04.17-2023.06.16	EUR5,182/BRL29,630
	EUR to KRW	2023.06.30-2023.07.31	EUR240/KRW329,114

- c. As of March 31, 2024, December 31, 2023 and March 31, 2023, outstanding exchange rate swap contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
March 31, 2024	USD to NTD	2024.04.01-2024.04.15	USD76,000/NTD2,420,477
	USD to RMB	2024.04.16-2024.05.20	USD63,000/RMB456,331
	USD to IDR	2024.06.20-2024.06.27	USD11,672/IDR183,669,459
	USD to SEK	2024.04.18-2024.04.30	USD1,078/SEK12,300
December 31, 2023	USD to RMB	2024.02.07-2024.02.27	USD143,988/RMB1,024,564
	USD to NTD	2024.01.02-2024.02.29	USD118,000/NTD3,649,647
March 31, 2023	USD to RMB	2023.06.30	USD20,000/RMB136,424

- d. As of March 31, 2024, December 31, 2023 and March 31, 2023, outstanding commodity futures option contracts not under hedge accounting were as follows:

March 31, 2024

Notional Amount	Type of Transaction	Buyer/Seller	Premium Paid	Fair Value
US\$ 6,138	Put	Buyer	US\$ 72	US\$ 36

December 31, 2023

Notional Amount	Type of Transaction	Buyer/Seller	Premium Paid	Fair Value
US\$ 11,241	Put	Buyer	US\$ 371	US\$ 330

March 31, 2023

Notional Amount	Type of Transaction	Buyer/Seller	Premium Paid	Fair Value
US\$ 16,290	Put	Buyer	US\$ 546	US\$ 154

- e. For the three months ended March 31, 2024 and 2023, the Group's strategies for commodity futures contracts, foreign exchange forward contracts and exchange rate swap contracts were to hedge exposures to fluctuations in the prices of raw material and foreign exchange rates. However, those derivative financial instruments did not meet the criteria of hedge effectiveness; therefore, they were not accounted for hedge accounting.
- f. Financial assets - contingent consideration is the amount of consideration to be received by the Group from the acquirer in the disposal of the subsidiary (the "Target Company") on July 27, 2022. In accordance with the agreement of contingent consideration, the acquirer shall respectively pay additional payments when the gross profit of Target Company during the period starting from the settlement date to December 31, 2023 and the gross profit in the year 2024 meet the amount agreed upon by Target Company. The Group has received \$1,273,115 thousand as of March 31, 2024.
- g. Financial liabilities - contingent consideration according to the agreement of acquisition, the Group is required to make additional payments to the seller if Cogne Acciai Speciali S.p.A.'s earnings before interest, income tax, depreciation and amortization from the settlement date to 2025 meet the contract requirements.

8. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Current</u>			
Foreign investments			
Corporate bonds	\$ 15	\$ 15	\$ 304
Mutual funds	<u>722</u>	<u>712</u>	<u>1,205</u>
	<u>\$ 737</u>	<u>\$ 727</u>	<u>\$ 1,509</u>
<u>Non-current</u>			
Foreign investments			
Government bonds	<u>\$ 127,439</u>	<u>\$ 184,613</u>	<u>\$ 186,500</u>

The interest rates for the government bonds the Group purchased were 4.35% - 4.75%, 4.45% and 4.45% as of March 31, 2024, December 31, 2023 and March 31, 2023.

9. FINANCIAL INSTRUMENTS FOR HEDGING

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets</u>			
Cash flow hedges - hedging foreign-currency deposits	\$ -	\$ 346,441	\$ -
Cash flow hedges - interest rate swap contracts	66,667	53,439	147,930
Cash flow hedges - foreign exchange forward contracts	<u>9,357</u>	<u>-</u>	<u>-</u>
	<u>\$ 76,024</u>	<u>\$ 399,880</u>	<u>\$ 147,930</u>
Current	\$ 9,427	\$ 346,441	\$ 15,460
Non-current	<u>66,597</u>	<u>53,439</u>	<u>132,470</u>
	<u>\$ 76,024</u>	<u>\$ 399,880</u>	<u>\$ 147,930</u>
<u>Financial liabilities</u>			
Fair value hedges - exchange rate swap contracts	\$ -	\$ -	\$ 7,531
Cash flow hedges - foreign exchange forward contracts	-	4,967	-
Cash flow hedges - gas and electricity swap contracts	<u>12,405</u>	<u>3,616</u>	<u>58,780</u>
	<u>\$ 12,405</u>	<u>\$ 8,583</u>	<u>\$ 66,311</u>
Current	\$ 12,405	\$ 5,878	\$ 66,311
Non-current	<u>-</u>	<u>2,705</u>	<u>-</u>
	<u>\$ 12,405</u>	<u>\$ 8,583</u>	<u>\$ 66,311</u>

- a. The Group entered into foreign exchange forward contracts, exchange rate swap contracts and foreign currency deposits to hedge against the exchange rate fluctuations associated with designated foreign currency receivables and payables. The conditions of the foreign exchange forward contracts and the exchange rate swaps are the same as those of the corresponding financial assets, so the management believes that the foreign exchange forward contracts are highly effective hedging instruments. For information regarding the financial instruments used for hedging, refer to Note 35.
- b. The Group converts some of the issued floating rate financial liabilities from floating rate to fixed rate through the interest rate swap contracts in order to reduce the risk of the cash flow of the issued floating rate financial liabilities due to changes in interest rates. The conditions of the interest rate swap contracts are the same as the one of the related financial liabilities, therefore, the management of the Group considers they can be highly effective hedging instruments. For information regarding the financial instruments used for hedging, refer to Note 35.
- c. The Group is exposed to the risk that the future cash flows of the assets and liabilities may fluctuate due to changes in market prices of gas electricity that are required for the Group's operations. The Group assesses that the risk may be significant and therefore enters into gas and electricity swap contracts for hedging purposes. The breakdown of the cash flow hedge items and derivative financial instruments designated for hedging at the end of the reporting period were as follows:

Financial Commodity	Type of Transaction	Quantity	Trade Date	Maturity Date	Notional Amount (In Thousands)		Market Price (In Thousands)		Valuation (Loss) Gain (In Thousands)	
<u>March 31, 2024</u>										
Gas	Buy	22,000 Tons	2024.02.19	2024.04.30-2024.09.30	EUR	588	EUR	647	EUR	59
Electricity	Buy	45,200 Megawatt hours	2023.12.14-2024.02.14	2024.04.30-2024.09.30	EUR	3,141	EUR	2,722	EUR	(419)
<u>December 31, 2023</u>										
Gas	Buy	13,600 Tons	2023.12.11	2024.01.31-2024.03.31	EUR	502	EUR	435	EUR	(67)
Electricity	Buy	22,000 Megawatt hours	2023.12.14	2024.01.31-2024.06.30	EUR	1,857	EUR	1,817	EUR	(40)
<u>March 31, 2023</u>										
Gas	Buy	85,997 Tons	2022.12.21-2023.03.03	2023.04.30-2023.12.31	EUR	6,298	EUR	4,525	EUR	(1,773)

10. CONTRACT ASSETS

As of March 31, 2024, December 31, 2023 and March 31, 2023, contract balances were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Contract assets			
Cable installation	\$ 732,003	\$ 735,895	\$ 1,193,382
Solar power systems installation	225,483	260,130	1,253,294
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
Contract assets - current	<u>\$ 957,486</u>	<u>\$ 996,025</u>	<u>\$ 2,446,676</u>

The changes in the balance of contract assets primarily resulted from the timing differences between the Group's satisfaction of performance obligations and the respective customer's payment.

11. NOTES RECEIVABLE AND TRADE RECEIVABLES

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Notes receivable</u>			
Notes receivable	\$ 891,715	\$ 920,752	\$ 1,826,797
<u>Trade receivables</u>			
Trade receivables	\$ 18,056,877	\$ 15,628,930	\$ 19,617,300
Less: Allowance for impairment loss	(863,975)	(637,399)	(305,264)
	<u>\$ 17,192,902</u>	<u>\$ 14,991,531</u>	<u>\$ 19,312,036</u>

Trade receivable

The average credit period on the sales of goods is 30 to 65 days. In determining the collectability of a trade receivable, the Group considered any change in the credit quality of the trade receivable since the date credit was initially granted to the end of the reporting period. When the Group dealt with new entities, the Group reviewed the credit ratings of the entities and obtained sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually. In this regard, the management believes the Group's credit risk is significantly reduced.

The Group permits the use of a lifetime expected credit losses allowance for all trade receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the past default experience with the respective debtors and an analysis of the debtors' current financial positions. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on the past due status of receivables is not further distinguished according to different segments of the Group's customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery of the receivable. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, they are recognized in profit or loss.

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

March 31, 2024

	Not Past Due	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0%-1%	0%-2%	0%-50%	0%-100%	50%-100%	
Gross carrying amount	\$ 13,834,586	\$ 2,557,197	\$ 267,020	\$ 705,870	\$ 692,204	\$ 18,056,877
Loss allowance (lifetime ECLs)	(38,233)	(16,382)	(24,148)	(244,461)	(540,751)	(863,975)
Amortized cost	<u>\$ 13,796,353</u>	<u>\$ 2,540,815</u>	<u>\$ 242,872</u>	<u>\$ 461,409</u>	<u>\$ 151,453</u>	<u>\$ 17,192,902</u>

December 31, 2023

	Not Past Due	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0%-1%	0%-2%	0%-50%	0%-100%	50%-100%	
Gross carrying amount	\$ 11,050,307	\$ 3,109,790	\$ 585,572	\$ 550,249	\$ 333,012	\$ 15,628,930
Loss allowance (lifetime ECLs)	<u>(16,320)</u>	<u>(34,607)</u>	<u>(71,766)</u>	<u>(292,380)</u>	<u>(222,326)</u>	<u>(637,399)</u>
Amortized cost	<u>\$ 11,033,987</u>	<u>\$ 3,075,183</u>	<u>\$ 513,806</u>	<u>\$ 257,869</u>	<u>\$ 110,686</u>	<u>\$ 14,991,531</u>

March 31, 2023

	Not Past Due	Up to 90 Days	91 to 180 Days	181 to 365 Days	Over 365 Days	Total
Expected credit loss rate	0%-1%	0%-2%	0%-50%	0%-100%	50%-100%	
Gross carrying amount	\$ 17,786,345	\$ 1,500,276	\$ 65,646	\$ 68,803	\$ 196,230	\$ 19,617,300
Loss allowance (lifetime ECLs)	<u>(13,835)</u>	<u>(24,973)</u>	<u>(25,393)</u>	<u>(51,087)</u>	<u>(189,976)</u>	<u>(305,264)</u>
Amortized cost	<u>\$ 17,772,510</u>	<u>\$ 1,475,303</u>	<u>\$ 40,253</u>	<u>\$ 17,716</u>	<u>\$ 6,254</u>	<u>\$ 19,312,036</u>

The movements of the loss allowance of trade receivables were as follows:

	For the Three Months Ended March 31	
	2024	2023
Balance at January 1	\$ 637,399	\$ 280,210
Add: Acquisitions through business combination	190,992	-
Add: Net remeasurement of loss allowance	9,265	23,336
Less: Amounts written off	(312)	-
Foreign exchange gains	<u>26,631</u>	<u>1,718</u>
Balance at March 31	<u>\$ 863,975</u>	<u>\$ 305,264</u>

The amounts and the details of the factoring agreements for accounts receivable of the Group are set out in Notes 23, 35 and 37.

12. FINANCE LEASE RECEIVABLES

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Undiscounted lease payments</u>			
Year 1	\$ 81,359	\$ 81,359	\$ 81,359
Year 2	81,359	81,359	81,359
Year 3	81,359	81,359	81,359
Year 4	81,359	81,359	81,359
Year 5	81,359	81,359	81,359
Year 5 onwards	<u>267,318</u>	<u>287,658</u>	<u>348,677</u>
	674,113	694,453	755,472
Less: Unearned finance income	<u>(86,912)</u>	<u>(91,930)</u>	<u>(107,745)</u>
Net investment in leases presented as finance lease receivables	<u>\$ 587,201</u>	<u>\$ 602,523</u>	<u>\$ 647,727</u>

(Continued)

	March 31, 2024	December 31, 2023	March 31, 2023
Current	\$ 62,589	\$ 62,067	\$ 60,526
Non-current	<u>524,612</u>	<u>540,456</u>	<u>587,201</u>
	<u>\$ 587,201</u>	<u>\$ 602,523</u>	<u>\$ 647,727</u>
			(Concluded)

The power supply contracts of solar power equipment are processed according to the finance leases accounting policy. The average term of finance leases entered into was 20 years.

The interest rate inherent in the leases was fixed at the contract date for the entire lease term. The average effective interest rate contracted was 3.30% per annum as of March 31, 2024, December 31, 2023 and March 31, 2023.

The finance lease receivables as of March 31, 2024, December 31, 2023 and March 31, 2023 were neither past due nor impaired.

The amounts of finance lease receivables pledged as collateral or for security are set out in Note 37.

13. INVENTORIES

	March 31, 2024	December 31, 2023	March 31, 2023
Manufacturing and trading industries			
Raw materials	\$ 7,391,519	\$ 8,353,682	\$ 7,936,720
Raw materials in transit	3,698,843	2,496,691	3,156,301
Supplies	2,064,224	2,017,810	2,903,667
Work-in-process	9,746,218	7,900,218	8,315,438
Finished goods and merchandise	11,730,713	10,441,129	11,149,385
Contracts in progress	<u>164,117</u>	<u>227,395</u>	<u>444,993</u>
	<u>34,795,634</u>	<u>31,436,925</u>	<u>33,906,504</u>
Real estate development industries			
Undeveloped land	3,434	3,434	3,434
Buildings and land held for sale	180,150	174,510	208,206
Contracts in progress	<u>2,173,694</u>	<u>2,089,427</u>	<u>2,033,776</u>
	<u>2,357,278</u>	<u>2,267,371</u>	<u>2,245,416</u>
	<u>\$ 37,152,912</u>	<u>\$ 33,704,296</u>	<u>\$ 36,151,920</u>

- The cost of goods sold related to inventories for the three months ended March 31, 2024 and 2023 were NT\$37,587,128 thousand and NT\$45,887,167 thousand, respectively.
- The cost of goods sold for the three months ended March 31, 2024 and 2023 included reversals of inventory write-downs of NT\$183,704 thousand and inventory write-downs of NT\$79,825 thousand, respectively.
- The inventories for the real estate development business are primarily land and construction costs for future construction and contracts in progress of WLC's subsidiary, Walsin (Nanjing) Development Co., Ltd.

- d. Walsin (Nanjing) Development Co., Ltd. entered into an agreement with third parties for the sale of real estate for the three months ended March 31, 2024 and 2023; the selling prices for the related residential parking spaces, buildings and office buildings were RMB600 thousand. The sale of the real estate in the amount of NT\$2,531 thousand was recognized as operating revenue for the three months ended March 31, 2024 and 2023.

14. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2024	December 31, 2023	March 31, 2023
Domestic listed ordinary shares			
HannStar Display Corp.	\$ 3,176,101	\$ 3,550,641	\$ 3,820,310
HannStar Board Corp.	3,876,240	3,525,594	2,266,453
TECO Electric & Machinery Corp.	12,918,754	10,815,701	9,821,951
K. S. Terminals Inc.	10,208	10,426	10,368
Domestic unlisted ordinary shares	809,484	812,330	576,461
Foreign unlisted ordinary shares	<u>83,275</u>	<u>108,480</u>	<u>72,477</u>
	<u>\$ 20,874,062</u>	<u>\$ 18,823,172</u>	<u>\$ 16,568,020</u>
Non-current	<u>\$ 20,874,062</u>	<u>\$ 18,823,172</u>	<u>\$ 16,568,020</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management selected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes. For the three months ended March 31, 2024 and 2023, the unrealized valuation gains resulting from these investments in equity instruments were NT\$1,993,594 thousand and NT\$4,201,515 thousand, respectively, which were recognized in other comprehensive income (loss).

15. SUBSIDIARIES

- a. Subsidiaries included in the consolidated financial statements

The consolidated entities as of March 31, 2024, December 31, 2023 and March 31, 2023 were as follows:

Investor	Investee	Main Business	Percentage of Ownership (%)		
			March 31, 2024	December 31, 2023	March 31, 2023
Walsin Lihwa Corporation	Walsin Lihwa Holdings Limited (WLHL)	Investment holding	100.00	100.00	100.00
	Concord Industries Limited (CIL)	Investment holding	100.00	100.00	100.00
	Ace Result Global Limited	Investment holding	100.00	100.00	100.00
	Min Maw Precision Industry Corp. (Min Maw)	Solar power systems management, design, and installation	100.00	100.00	100.00
	Walsin Info-Electric Corp. (Walsin Info-Electric)	Mechanical and electrical, communications, and power systems	99.51	99.51	99.51
	Chin-Cherng Construction Co. (Chin-Cherng)	Investment in the construction of residential and sale of commercial buildings, rental design and interior decoration business	99.22	99.22	99.22
	Joint Success Enterprises Limited	Investments	49.05	49.05	49.05
	P.T. Walsin Lippo Industries (P.T. Walsin)	Manufacture and sale of cables and wires	70.00	70.00	70.00
	PT. Walsin Lippo Kabel	Cables and wires	70.00	70.00	70.00
	Waltuo Green Resources Corp.	Waste disposal, resource recovery and cement products	100.00	100.00	100.00
	PT. Walsin Nickel Industrial Indonesia	Manufacture and sale of nickel pig iron	50.00	50.00	50.00
	Walsin Precision Technology Sdn. Bhd.	Manufacture and sale of stainless steel	100.00	100.00	100.00
	Walsin Singapore Pte. Ltd.	Investment holding	100.00	100.00	100.00
	Walsin America, LLC	Investment holding	100.00	100.00	100.00
	Walsin Lihwa Europe S.a r.l.	Investment holding	100.00	100.00	100.00

(Continued)

Investor	Investee	Main Business	Percentage of Ownership (%)		
			March 31, 2024	December 31, 2023	March 31, 2023
Walsin Singapore Pte. Ltd.	PT. Walsin Research Innovation Indonesia	Consulting and Management	99.50	99.50	99.00
	Walsin Energy Cable System Co., Ltd.	Submarine communication cables	90.00	(Note 3) 90.00	(Note 3) 100.00
	PT. Walsin Nickel Industrial Indonesia	Manufacture and sale of nickel pig iron	42.00	(Note 5) 42.00	(Note 5) 42.00
	PT. Sunny Metal Industry	Manufacture and sale of nickel matte	50.10	50.10	50.10
Berg Holding Limited	Berg Holding Limited	Investment holding	75.00	-	-
	PT. Sunny Metal Industry	Manufacture and sale of nickel matte	(Note 4) 39.35	-	-
WLHL	Walsin (China) Investment Co., Ltd.	Investment holding	(Note 4) 100.00	100.00	100.00
	Jiangyin Walsin Steel Cable Co., Ltd. (JHS)	Manufacture and sale of steel cables and wires	100.00	100.00	100.00
	Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Manufacture and sale of cables and wires	95.71	95.71	95.71
	Dongguan Walsin Wire & Cable Co., Ltd.	Manufacture and sale of bare copper cables and wires	100.00	100.00	100.00
Walsin (China) Investment Co., Ltd.	Walsin International Investments Limited	Investments	100.00	100.00	100.00
	Nanjing Taiwan Trade Mart Management Co., Ltd.	Business and assets management, consulting and advertising services	100.00	100.00	100.00
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Manufacture and sale of cold-rolled stainless steel and flat-rolled products	18.37	18.37	18.37
	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	15.48	15.48	15.48
Dongguan Walsin Wire & Cable Co., Ltd.	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	60.00	-	-
	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	(Note 11) 24.52	24.52	24.52
CIL	Walsin Specialty Steel Corp.	Sale of specialty steel products and investment holding	100.00	100.00	100.00
	Changshu Walsin Specialty Steel Co., Ltd.	Manufacture and sale of specialized steel tubes, rods and wires	100.00	100.00	100.00
	Yantai Walsin Stainless Steel Co., Ltd.	Production and sale of new-type alloy materials	100.00	100.00	100.00
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Manufacture and sale of cold-rolled stainless steel and flat-rolled products	81.63	81.63	81.63
Chin-Cherng Construction Co. Joint Success Enterprises Limited	XiAn Walsin Metal Product Co., Ltd.	Production and sale of medium and heavy specialty steel plates	100.00	100.00	100.00
	Joint Success Enterprises Limited	Investments	50.95	50.95	50.95
	Walsin (Nanjing) Development Co., Ltd.	Construction, rental and sale of buildings and industrial factories	100.00	100.00	100.00
	Nanjing Walsin Property Management Co., Ltd.	Property management, business management and housing leasing	100.00	100.00	100.00
Min Maw Precision Industry Corp. (Min Maw)	PT. Walsin Research Innovation Indonesia	Consulting and management	0.50	0.50	1.00
Walsin America, LLC	Borrego Energy Holdings, LLC	Investment holding	(Note 3) 72.55	(Note 3) 72.55	(Note 3) 72.55
Borrego Energy Holdings, LLC	Borrego Energy, LLC	Solar power system	100.00	100.00	100.00
	Cleanleaf Energy Holdings, Inc.	Investment holding	100.00	100.00	-
Walsin Lihwa Europe S.a r.l.	MEG S.A.	Investment holding	(Note 10) 90.21	(Note 10) 90.21	85.03
MEG S.A.	Cogne Acciai Speciali S.p.A.	Manufacture and sale of stainless steel	77.60	(Note 1) 77.60	82.32
Cogne Acciai Speciali S.p.A.	Cogne France Société par Actions Simplifiée	Sale of stainless steel	100.00	(Note 2) 100.00	100.00
	Cogne Edelstahl GmbH	Sale of stainless steel	100.00	100.00	100.00
	Cogne SG Pte. Ltd.	Sale of stainless steel	100.00	100.00	100.00
	Cogne Hong Kong Limited	Investment holding	100.00	100.00	100.00
	Cogne U.K. Limited	Sale of stainless steel	100.00	100.00	100.00
	Cogne Stainless Bars SA	Manufacture and sale of stainless steel	100.00	100.00	100.00
	Cogne Mexico Sociedad Anonima de Capital Variable	Manufacture and sale of stainless steel	82.53	82.53	99.00
	Metalinox Cogne Acos Inoxdaveis Especiais Ltda	Sale of stainless steel	100.00	(Note 8) 100.00	(Note 8) 100.00
	Cogne Speciality Steel USA, Inc.	Sale of stainless steel	100.00	100.00	100.00
	Cogne Celik Sanayi ve Ticaret Limited Şirketi	Sale of stainless steel	100.00	100.00	100.00
	Dong Guan Cogne Steel Products Co., Ltd.	Manufacture and sale of stainless steel	100.00	100.00	-
	Special Melted Products Limited	Manufacture and sale of high-quality special steels and nickel-based alloys	100.00	(Note 9) 100.00	-
	Degerfors Long Products AB	Sale of special steel	100.00	(Note 7) 100.00	-
	Dong Guan Cogne Steel Products Co., Ltd.	Manufacture and sale of stainless steel	-	(Note 7) -	100.00
Cogne Stainless Bars SA	Aosta Servizi Generali S.r.l.	Machinery and Electrical maintenance	100.00	(Note 9) 100.00	100.00
	Cogne Mexico Sociedad Anonima de Capital Variable	Manufacture and sale of stainless steel	0.0002	0.0002	1.00
PT. Walsin Nickel Industrial Indonesia	PT. Walsu Metal Industry	Manufacture and sale of nickel matte	(Note 8) 0.10	(Note 8) 0.10	(Note 8) -
PT. Sunny Metal Industry	PT. Walsu Metal Industry	Manufacture and sale of nickel matte	99.90	(Note 6) 99.90	-
Hangzhou Walsin Power Cable & Wire Co., Ltd.	Hangzhou Futong Electric Industries Co., Ltd.	Manufacture and sale of cables and wires	51.00	(Note 6) 51.00	51.00
			(Note 11)	(Note 11)	(Note 11)

(Concluded)

Note 1: On May 5, 2023, WLC's board of directors approved to increase capital in cash of MEG S.A., and the capital increase base date was August 30, 2023. The Group subscribed for additional new shares at a percentage different from its existing ownership percentage, resulting in an increase in the continuing interest rate from 85.03% to 90.21%.

- Note 2: On May 5, 2023, WLC's board of directors approved to increase capital in cash of Cogne Acciai Speciali S.p.A., and the capital increase base date was on September 18, 2023. MEG S.A. subscribed for additional new shares at a percentage different from its existing ownership percentage, resulting in a decrease in the continuing interest rate from 82.32% to 77.60%.
- Note 3: On February 24, 2023, WLC's board of directors approved to increase capital in cash of PT. Walsin Research Innovation Indonesia, and the capital increase base date was on May 22, 2023.
- Note 4: In August 2023, WLC's board of directors resolved to acquire 75.00% of the shares of Berg Holding Limited for a consideration of US\$118,500 thousand. The Group completed the transaction in January 2024. According to IFRS 3 "Business Combination", it was determined not to be a business and should be accounted for as an acquisition of assets. The amount of the assumed assets acquired was NT\$3,704,907 thousand and the relevant net cash outflow was NT\$3,858,975 thousand at the date of acquisition. As a result of this transaction, the Group increased its shareholding percentage in the subsidiary PT. Sunny Metal Industry from 50.10% to 79.61%. The transaction was accounted for as an equity transaction since it doesn't change the control of the Group over the subsidiary PT. Sunny Metal Industry.
- Note 5: The Group established Walsin Energy Cable System Co., Ltd. on February 13, 2023. On February 24, 2023, WLC's board of directors approved to increase capital in cash of Walsin Energy Cable System Co., Ltd., and the capital increase base date was on May 23, 2023. The Group did not subscribe according to the shareholding proportion, resulting in a decrease in the shareholding percentage from 100.00% to 90.00%.
- Note 6: The Group established PT. Walhsu Metal Industry on May 23, 2023, and injected capital on June 5, 2023. On February 23, 2024, WLC's board of directors approved to increase capital in cash of PT. Walhsu Metal Industry, and the capital increase base date was on March 28, 2024.
- Note 7: Cogne Acciai Speciali S.p.A. acquired 100.00% shares of Degerfors Long Products AB and Special Melted Products Ltd. for considerations of NT\$182,129 thousand on August 1, 2023, and NT\$5,668,618 thousand on September 19, 2023, respectively. These transactions were classified as business combinations. Please refer to Note 33 of the consolidated financial statements for the year ended December 31, 2023.
- Note 8: On April 13, 2023, the board of directors approved to increase capital in cash of Cogne Mexico Sociedad Anonima de Capital Variable, and the capital increase base date was on August 14, 2023. The Group did not subscribe according to the shareholding proportion, resulting in a decrease in the shareholding percentage from 100.00% to 82.5302%.
- Note 9: Due to the adjustment of the investment structure of the Group, it was transferred from Cogne Hong Kong Limited to Cogne Acciai Speciali S.p.A in May 2023.
- Note 10: The Group established Cleanleaf Energy Holdings, Inc. on September 14, 2023, and injected capital on January 1, 2024.
- Note 11: In December 2023, WLC's board of directors resolved that the subsidiary, Dongguan Walsin Wire & Cable Co., Ltd., acquire 60.00% of the shares of the associate, Hangzhou Walsin Power Cable & Wire Co., Ltd., for a consideration of RMB 310,864 thousand. This transaction will increase the Group's shareholding percentage in Hangzhou Walsin Power Cable & Wire Co., Ltd. from 40.00% to 100.00%, changing its status from an associate to a subsidiary. This transaction was classified as a business combination. Please refer to Note 32.

- b. The following entity was excluded from consolidation as of March 31, 2024, December 31, 2023 and March 31, 2023:

Investor	Investee	Main Business	Percentage of Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
WLHL	Walcom Chemicals Industrial Limited	Commerce	65.00	65.00	65.00	Note

Note: The investee has a capital of HK\$500 thousand and total assets of HK\$1 thousand. As of March 31, 2024, December 31, 2023 and March 31, 2023, the investee had no sales, and its total assets were less than 1% of the Group's consolidated total assets.

The financial statements of certain subsidiaries included in the consolidated financial statements, namely, P.T. Walsin Lippo Industries, Walsin Precision Technology Sdn, Bhd., Cogne Acciai Speciali S.p.A. and subsidiaries, and Walsin America LLC's subsidiary Borrego Energy Holdings, LLC for the three months ended March 31, 2024 and 2023 were not reviewed by the auditor of WLC but by other auditors. As of March 31, 2024 and 2023, the combined total assets of these subsidiaries were NT\$39,006,491 thousand and NT\$32,874,833 thousand, respectively; for the three months ended March 31, 2024 and 2023, the combined net operating revenues of these subsidiaries were NT\$8,347,927 thousand and NT\$10,519,543 thousand, respectively.

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in associates:

Name of Associate	March 31, 2024		December 31, 2023		March 31, 2023	
	Carrying Amount	Ownership Percentage (%)	Carrying Amount	Ownership Percentage (%)	Carrying Amount	Ownership Percentage (%)
<u>Material associates</u>						
Winbond Electronics Corp.	\$ 20,042,062	21.99	\$ 20,335,573	21.99	\$ 20,250,404	22.21
Walton Advanced Engineering, Inc.	2,244,845	21.17	2,230,609	21.17	2,172,560	21.01
Walsin Technology Corp.	8,928,437	18.30	8,631,671	18.30	8,334,137	18.30
<u>Associates that are not individually material</u>						
Others	<u>12,707,577</u>		<u>18,442,318</u>		<u>15,988,977</u>	
	<u>\$ 43,922,921</u>		<u>\$ 49,640,171</u>		<u>\$ 46,746,078</u>	

Refer to Table 7 "Information on Investees" and Table 8 "Information on Investments in Mainland China" for the nature of activities, principal places of business and countries of incorporation of the associates.

The Group is the single largest shareholder of the abovementioned material associates in which the Group has an ownership percentage of less than 50%. Considering the relative size and wide dispersion of the voting rights owned by other shareholders, the Group has no ability to direct the relevant activities of the associates and therefore has no control over these associates.

Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

Name of Associate	March 31, 2024	December 31, 2023	March 31, 2023
Winbond Electronics Corp.	<u>\$ 25,007,136</u>	<u>\$ 27,995,121</u>	<u>\$ 23,421,983</u>
Walton Advanced Engineering, Inc.	<u>\$ 1,962,348</u>	<u>\$ 1,671,833</u>	<u>\$ 1,507,390</u>
Walsin Technology Corp.	<u>\$ 10,045,963</u>	<u>\$ 10,934,986</u>	<u>\$ 8,596,855</u>

All the associates were accounted for using the equity method.

As of March 31, 2023, the dividend receivable from the above-mentioned associates of the Group was NT\$883,958 thousand, and it was listed under other receivables.

In January 2024, WLC disposed of its entire 29.5% shareholding in the associate PT. Westrong Metal Industry for a total proceeds of NT\$4,582,940 thousand.

In March 2024, WLC's board of directors resolved to dispose of its entire 20% shareholding in the associate Innovation West Mantewe Pte. Ltd. for a consideration of US\$58,652 thousand. As of the issuance date of the consolidated financial report, the transactions have not been completed.

The Group's share of profit and other comprehensive income of associates for the three months ended March 31, 2024 and 2023 was based on the associates' financial statements reviewed by independent auditors for the same period.

17. PROPERTY, PLANT AND EQUIPMENT

			March 31, 2024	December 31, 2023	March 31, 2023	
Assets used by the Group			<u>\$ 81,865,436</u>	<u>\$ 78,154,936</u>	<u>\$ 67,915,897</u>	
	Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress	Total
<u>Cost</u>						
Balance at January 1, 2024	\$ 4,000,385	\$ 30,268,808	\$ 65,772,201	\$ 12,003,844	\$ 15,947,767	\$ 127,993,005
Additions	113,828	112,829	175,515	49,414	2,545,203	2,996,789
Disposals	-	-	(71,710)	(34,113)	-	(105,823)
Acquisition through business combinations	-	1,268,320	1,726,483	424,506	11,418	3,430,727
Reclassified	-	(312,547)	177,017	29,877	(257,462)	(363,115)
Effects of foreign currency exchange differences	356	866,205	1,307,612	301,329	345,833	2,821,335
Balance at March 31, 2024	<u>\$ 4,114,569</u>	<u>\$ 32,203,615</u>	<u>\$ 69,087,118</u>	<u>\$ 12,774,857</u>	<u>\$ 18,592,759</u>	<u>\$ 136,772,918</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2024	\$ 8,067	\$ 10,983,110	\$ 32,499,371	\$ 6,347,521	\$ -	\$ 49,838,069
Depreciation expenses	-	344,899	1,130,171	204,690	-	1,679,760
Capitalized depreciation expense	-	-	373	137	-	510
Disposals	-	-	(69,329)	(33,410)	-	(102,739)
Acquisition through business combinations	-	662,529	1,620,026	380,844	-	2,663,399
Impairment losses reversed	-	-	-	(42)	-	(42)
Effects of foreign currency exchange differences	-	220,817	476,788	130,920	-	828,525
Balance at March 31, 2024	<u>\$ 8,067</u>	<u>\$ 12,211,355</u>	<u>\$ 35,657,400</u>	<u>\$ 7,030,660</u>	<u>\$ -</u>	<u>\$ 54,907,482</u>
Carrying amount at March 31, 2024	<u>\$ 4,106,502</u>	<u>\$ 19,992,260</u>	<u>\$ 33,429,718</u>	<u>\$ 5,744,197</u>	<u>\$ 18,592,759</u>	<u>\$ 81,865,436</u>
<u>Cost</u>						
Balance at January 1, 2023	\$ 3,776,670	\$ 22,865,186	\$ 50,428,862	\$ 8,607,005	\$ 23,862,639	\$ 109,540,362
Additions	207,703	34,203	222,464	27,542	3,185,550	3,677,462
Disposals	-	(227)	(124,481)	(63,735)	(23)	(188,466)
Reclassified	12,652	2,237,528	7,495,511	1,849,091	(11,594,782)	-
Transfers to investment properties	-	-	-	(2,650)	-	(2,650)
Effects of foreign currency exchange differences	367	74,817	191,824	4,724	(37,903)	233,829
Balance at March 31, 2023	<u>\$ 3,997,392</u>	<u>\$ 25,211,507</u>	<u>\$ 58,214,180</u>	<u>\$ 10,421,977</u>	<u>\$ 15,415,481</u>	<u>\$ 113,260,537</u>

(Continued)

	Land	Buildings and Improvements	Machinery and Equipment	Other Equipment	Construction in Progress	Total
Accumulated depreciation and impairment						
Balance at January 1, 2023	\$ 8,067	\$ 9,790,075	\$ 28,172,188	\$ 5,913,566	\$ -	\$ 43,883,896
Depreciation expenses	-	275,999	953,315	165,043	-	1,394,357
Disposals	-	(103)	(122,742)	(60,563)	-	(183,408)
Impairment losses reversed	-	-	-	(7)	-	(7)
Transfers to investment properties	-	-	-	(2,329)	-	(2,329)
Effects of foreign currency exchange differences	-	36,727	211,334	4,070	-	252,131
Balance at March 31, 2023	<u>\$ 8,067</u>	<u>\$ 10,102,698</u>	<u>\$ 29,214,095</u>	<u>\$ 6,019,780</u>	<u>\$ -</u>	<u>\$ 45,344,640</u>
Carrying amount at March 31, 2023	<u>\$ 3,989,325</u>	<u>\$ 15,108,809</u>	<u>\$ 29,000,085</u>	<u>\$ 4,402,197</u>	<u>\$ 15,415,481</u>	<u>\$ 67,915,897</u>

(Concluded)

- a. Apart from the machinery and equipment of the resource department which is depreciated on an accelerated basis over their estimated useful lives for 16 years, the property, plant and equipment of the Group are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	3-50 years
Machinery and equipment	3-20 years
Other equipment	3-15 years

The Group's main buildings, office building and electrical and mechanical power equipment are depreciated over their estimated useful lives of 20-50 years and 18-20 years, respectively.

- b. The Group owns parcels of land which were registered in the name of certain individuals because of certain regulatory restrictions. To secure its ownership of such parcels of land, WLC keeps in its possession the land titles with the annotation of the land being pledged to WLC. As of March 31, 2024, December 31, 2023 and March 31, 2023, the recorded total carrying amount of such parcels of land amounted to NT\$605,745 thousand, NT\$491,917 thousand and NT\$491,917 thousand, respectively.
- c. After appropriate evaluation, the Group recognized a reversal of impairment loss on property, plant and equipment of NT\$42 thousand and NT\$7 thousand for the three months ended March 31, 2024 and 2023, respectively.

18. LEASE ARRANGEMENTS

- a. Right-of-use assets

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Carrying amount</u>			
Land	\$ 3,917,463	\$ 3,389,816	\$ 3,418,173
Buildings	450,904	526,343	483,727
Machinery equipment	699,430	710,189	491,749
Office equipment	57,017	58,177	60,173
Transportation equipment	<u>31,580</u>	<u>34,518</u>	<u>32,501</u>
	<u>\$ 5,156,394</u>	<u>\$ 4,719,043</u>	<u>\$ 4,486,323</u>

	For the Three Months Ended March 31	
	2024	2023
Additions to right-of-use assets	\$ 9,402	\$ 235,231
Acquisition through business combination	\$ 443,738	\$ -
Disposals	\$ (7,328)	\$ (240)
Depreciation charge for right-of-use assets		
Land	\$ 37,956	\$ 38,137
Buildings	31,157	27,616
Machinery equipment	21,397	9,954
Office equipment	5,772	2,271
Transportation equipment	4,030	3,520
	<u>\$ 100,312</u>	<u>\$ 81,498</u>

b. Lease liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Carrying amounts</u>			
Current	<u>\$ 244,703</u>	<u>\$ 257,859</u>	<u>\$ 217,009</u>
Non-current	<u>\$ 2,739,500</u>	<u>\$ 2,765,167</u>	<u>\$ 2,467,003</u>

Range of discount rates for lease liabilities was as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
Land	0.83%-6.123%	0.83%-6.123%	0.83%-6.123%
Buildings	0.83%-8.76%	0.83%-8.76%	1.198%-8.00%
Machinery equipment	3.00%-3.90%	3.00%-3.90%	3.00%-3.90%
Office equipment	3.00%-3.90%	3.00%-3.90%	3.00%-3.90%
Transportation equipment	1.964%-3.44%	1.964%-3.44%	1.964%-5.75%

c. Other lease information

	For the Three Months Ended March 31	
	2024	2023
Expenses relating to short-term leases	\$ 44,315	\$ 20,761
Expenses relating to low-value asset leases	\$ 204	\$ 215
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ 1,155	\$ 1,265
Total cash outflow for leases	<u>\$ (121,853)</u>	<u>\$ (140,738)</u>

19. INVESTMENT PROPERTIES

	March 31, 2024	December 31, 2023	March 31, 2023
Completed investment properties	<u>\$ 15,471,241</u>	<u>\$ 15,514,751</u>	<u>\$ 16,010,594</u>
			Completed Investment Property
<u>Cost</u>			
Balance at January 1, 2024			\$ 18,908,583
Additions			1,067
Reclassified			(195,555)
Effects of foreign currency exchange differences			<u>327,405</u>
Balance at March 31, 2024			<u>\$ 19,041,500</u>
Balance at January 1, 2023			\$ 19,078,843
Reclassified from property, plant and equipment			2,650
Reclassified to inventories			(34,697)
Effects of foreign currency exchange differences			<u>41,290</u>
Balance at March 31, 2023			<u>\$ 19,088,086</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2024			\$ 3,393,832
Depreciation expenses			116,157
Effects of foreign currency exchange differences			<u>60,270</u>
Balance at March 31, 2024			<u>\$ 3,570,259</u>
Balance at January 1, 2023			\$ 2,955,037
Depreciation expenses			114,731
Reclassified from property, plant and equipment			2,329
Effects of foreign currency exchange differences			<u>5,395</u>
Balance at March 31, 2023			<u>\$ 3,077,492</u>

The completed investment properties are depreciated on a straight-line method over their estimated useful lives of 20 to 50 years.

The investment properties of the Group increased because the Group changed the purpose of use of the completed commercial building of Walsin (Nanjing) Development Co., Ltd. and transferred it to investment property. The main investment properties of the Group are Walsin Xin Yi Building and the completed investment properties of Walsin (Nanjing) Development Co., Ltd. The building's valuation was commissioned by independent appraisal agencies (third parties). As of December 31, 2023 and 2022, the fair values of the investment properties were NT\$46,171,839 thousand and NT\$45,032,010 thousand, respectively. Management of the Group had assessed and determined that there were no significant changes in the fair value as of March 31, 2024 and 2023.

20. GOODWILL

	For the Three Months Ended March 31	
	2024	2023
<u>Cost</u>		
Balance at January 1	\$ 4,157,877	\$ 286,139
Effects of foreign currency exchange differences	<u>55,474</u>	<u>(2,409)</u>
Balance at March 31	<u>\$ 4,213,351</u>	<u>\$ 283,730</u>
<u>Accumulated impairment</u>		
Balance at January 1	\$ -	\$ -
Balance at March 31	<u>\$ -</u>	<u>\$ -</u>
Carrying amount at March 31	<u>\$ 4,213,351</u>	<u>\$ 283,730</u>

The Group acquired PT. Sunny Metal Industry on September 23, 2022. The Group adjusted the initial accounting treatment and provisionally determined amounts from the acquisition date based on the finalized purchase price allocation report in the third quarter of 2023. The comparative period amount was restated accordingly.

The adjustments to the Group's balance sheet items are as follows:

	March 31, 2023		
	Amount Before Restatement	Adjustment	Restated
Goodwill	<u>\$ 82,701</u>	<u>\$ 201,029</u>	<u>\$ 283,730</u>
Other intangible assets - supply contract	<u>\$ 2,640,967</u>	<u>\$ 2,343,937</u>	<u>\$ 4,984,904</u>
Other intangible assets - core technology	<u>\$ 1,857,276</u>	<u>\$ 1,683,037</u>	<u>\$ 3,540,313</u>
Deferred tax liabilities	<u>\$ (6,059,067)</u>	<u>\$ 14,896</u>	<u>\$ (6,044,171)</u>
Non-controlling interests	<u>\$ (6,465,884)</u>	<u>\$ (4,242,899)</u>	<u>\$ (10,708,783)</u>
	January 1, 2023		
	Amount Before Restatement	Adjustment	Restated
Goodwill	<u>\$ 83,393</u>	<u>\$ 202,746</u>	<u>\$ 286,139</u>
Other intangible assets - supply contract	<u>\$ 2,734,203</u>	<u>\$ 2,427,687</u>	<u>\$ 5,161,890</u>
Other intangible assets - core technology	<u>\$ 1,922,845</u>	<u>\$ 1,742,455</u>	<u>\$ 3,665,300</u>
Deferred tax liabilities	<u>\$ (5,797,938)</u>	<u>\$ 15,023</u>	<u>\$ (5,782,915)</u>
Non-controlling interests	<u>\$ (6,240,336)</u>	<u>\$ (4,387,911)</u>	<u>\$ (10,628,247)</u>

The adjustments to the Group's statements of comprehensive income items are as follows:

The Effects on Comprehensive Income	For the Three Months Ended March 31, 2023		
	Amount Before Restatement	Adjustment	Restated
Operating costs	\$ (46,084,931)	\$ (107,664)	\$ (46,192,595)
Exchange differences on translation of the financial statement of foreign operations	\$ (287,819)	\$ (37,348)	\$ (325,167)

21. OTHER INTANGIBLE ASSETS

	March 31, 2024	December 31, 2023	March 31, 2023
Supply contract	\$ 4,566,316	\$ 4,542,804	\$ 4,984,904
Core technology	3,264,244	3,238,914	3,540,313
Others	<u>260,269</u>	<u>216,101</u>	<u>197,066</u>
	<u>\$ 8,090,829</u>	<u>\$ 7,997,819</u>	<u>\$ 8,722,283</u>

- The supply contract and core technology generated by PT. Sunny Metal Industry are amortized on an accelerated basis over 8 years and 16 years, respectively.
- Apart from stated above, the other intangible assets of the Group are amortized on a straight-line basis over 5-18 years.
- Except for the recognition of amortization expenses, there were no significant additions, disposals or impairments of other intangible assets of the Group for the three months ended March 31, 2024 and 2023.

22. OTHER ASSETS

	March 31, 2024	December 31, 2023	March 31, 2023
Prepayment for purchases	\$ 2,475,959	\$ 3,012,629	\$ 5,759,380
Prepaid expense	1,094,404	669,186	789,931
Prepaid sales tax	1,773,284	1,615,043	3,063,285
Prepayment for investments	17,423	1,334,026	2,204,073
Others	<u>1,096,718</u>	<u>921,291</u>	<u>524,957</u>
	<u>\$ 6,457,788</u>	<u>\$ 7,552,175</u>	<u>\$ 12,341,626</u>
Current	\$ 5,416,435	\$ 5,377,850	\$ 9,623,805
Non-current	<u>1,041,353</u>	<u>2,174,325</u>	<u>2,717,821</u>
	<u>\$ 6,457,788</u>	<u>\$ 7,552,175</u>	<u>\$ 12,341,626</u>

23. BORROWINGS

	March 31, 2024	December 31, 2023	March 31, 2023
Short-term borrowings	\$ 13,008,707	\$ 11,508,074	\$ 10,579,353
Current portion of long-term borrowings	\$ 1,744,773	\$ 1,538,480	\$ 1,089,369
Long-term borrowings	\$ 33,418,726	\$ 31,924,532	\$ 36,452,897
Long-term notes and bills payable	\$ 1,498,894	\$ 2,998,822	\$ 2,997,825

a. Short-term borrowings as of March 31, 2024, December 31, 2023 and March 31, 2023 were as follows:

	March 31, 2024		December 31, 2023		March 31, 2023	
	Interest Rate %	Amount	Interest Rate %	Amount	Interest Rate %	Amount
Bank lines of credit	2.60-7.60	\$ 12,972,702	0.86-7.60	\$ 11,490,666	1.15-6.91	\$ 10,444,167
Transferred receivables	2.00	36,005	1.98	17,408		135,186
		<u>\$ 13,008,707</u>		<u>\$ 11,508,074</u>		<u>\$ 10,579,353</u>

Refer to Note 37 for transferred receivables which were secured by a portion of the Group's trade receivables.

Refer to Notes 6 and 37 for collaterals pledged for short-term borrowings as of March 31, 2024, December 31, 2023 and March 31, 2023.

b. Long-term borrowings as of March 31, 2024, December 31, 2023 and March 31, 2023 were as follows:

		March 31, 2024	December 31, 2023	March 31, 2023
	Significant Covenant	Amount	Amount	Amount
<u>Long-term secured loan</u>				
Cathay United Bank	From December 15, 2011 to September 27, 2027; after the grace period, repayments are due monthly	\$ 165,612	\$ 179,177	\$ 219,873
Taipei Fubon Commercial Bank	From December 25, 2013 to October 11, 2028; after the grace period, repayments are due in stages	36,317	38,033	64,883
Other long-term secured loan	From January 12, 2019 to December 18, 2030; repayments are due according to contracts	<u>56,084</u>	<u>56,237</u>	<u>78,483</u>
		<u>258,013</u>	<u>273,447</u>	<u>363,239</u>
<u>Long-term credit loan</u>				
The Export-Import Bank of the Republic of China	Loan from December 4, 2020 to December 4, 2027; principal to be repaid evenly in seven phases; 1st repayment is due 48 months after the drawdown date, after which repayments are due once every six months	1,137,770	1,137,770	1,137,770
Bank of Taiwan	From September 22, 2020 to October 4, 2027; principal to be repaid in two phases: From the 5th year, repayments are due once every six months; at rates of 20% and 80%, respectively	9,000,000	9,000,000	9,000,000
Taiwan Cooperative Bank	From June 28, 2021 to June 28, 2026; principal to be repaid in two phases: 1st repayment due 48 months after the drawdown date, 2nd repayment due maturity date	2,000,000	2,000,000	2,000,000
DBS Bank	Principal repayment at maturity, from March 30, 2020 to April 15, 2025	-	-	1,505,000
Hua Nan Commercial Bank	From March 29, 2021 to March 29, 2026; principal to be repaid in two phases: From the 5th year, repayments are due once every six months	2,000,000	2,000,000	2,000,000
Chinatrust Commercial Bank	Principal repayment at maturity, from February 7, 2024 to February 7, 2029	782,881	-	-
Chang Hwa Commercial Bank	Principal repayment at maturity, from March 8, 2022 to March 8, 2027	2,000,000	2,000,000	3,000,000

(Continued)

	March 31, 2024		December 31, 2023	March 31, 2023
	Significant Covenant	Amount	Amount	Amount
<u>Long-term credit loan</u>				
Taiwan Cooperative Bank	From October 4, 2022 to October 4, 2027; principal to be repaid in two phases: 1st repayment due 48 months after the drawdown date, 2nd repayment due maturity date	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
KGI Bank	Principal repayment at maturity, from March 20, 2024 to April 24, 2027	1,000,000	-	1,000,000
Standard Chartered Bank	Principal repayment at maturity, from November 16, 2022 to December 31, 2024	-	-	4,583,900
Hua Nan Commercial Bank	Principal repayment at maturity, from March 8, 2022 to March 8, 2027	2,500,000	2,500,000	2,500,000
Far Eastern International Bank	Loan from October 21, 2022 to October 14, 2027; principal to be repaid evenly in three phases; 1st repayment is due 48 months after the signing date, after which repayments are due once every six months	2,000,000	2,000,000	1,500,000
Bank of Taiwan	Loan from June 13, 2023 to June 13, 2030; principal to be repaid evenly in forty-eight phases; 1st repayment is due 36 months after the drawdown date.	1,799,194	1,799,194	-
China CITIC Bank	Principal repayment at maturity, from August 15, 2023 to March 18, 2027	160,764	134,484	-
Bank SinoPac	Principal repayment at maturity, from July 13, 2022 to July 13, 2025	-	-	1,000,000
Intesa Sanpaolo S.p.A	Principal repayment at maturity, from December 30, 2019 to June 30, 2028	2,466,991	2,486,656	987,870
Other long-term credit loans	From November 1, 2018 to November 15, 2033; repayments are due according to contracts	<u>5,057,886</u>	<u>5,131,461</u>	<u>3,964,487</u>
		<u>34,905,486</u>	<u>33,189,565</u>	<u>37,179,027</u>
		<u>35,163,499</u>	<u>33,463,012</u>	<u>37,542,266</u>
Less current portion of long-term borrowings		<u>(1,744,773)</u>	<u>(1,538,480)</u>	<u>(1,089,369)</u>
		<u>\$ 33,418,726</u>	<u>\$ 31,924,532</u>	<u>\$ 36,452,897</u>
				(Concluded)

1) Under the loan agreements with DBS Bank, WLC should maintain certain financial ratios during the loan term, which are based on the annual and semi-annual consolidated financial statements audited by the independent auditors. The financial ratios are as follows:

- a) Ratio of current assets to current liabilities not less than 100%;
- b) Ratio of total liabilities less cash and cash equivalents to tangible net worth not more than 120%;
- c) Ratio of Interest Coverage Ratio which included net income before interest expenses, taxation, depreciation and amortization to interest expenses not less than 150%; and
- d) Tangible net worth (net worth less intangible assets) not less than NT\$55,000,000 thousand.

2) Under the loan agreements with Yantai Walsin Stainless Steel Co., Ltd., WLC as the guarantor should maintain certain financial ratios during the loan term, which are based on the annual and semi-annual consolidated financial statements audited by the independent auditors. The financial ratios are as follows:

- a) Ratio of current assets to current liabilities not less than 100%;
- b) Ratio of total liabilities less cash and cash equivalents to tangible net worth not more than 120%;

- c) Ratio of Interest Coverage Ratio which included net income before interest expenses, taxation, depreciation and amortization to interest expenses not less than three times; and
- d) Tangible net worth (net worth less intangible assets) not less than NT\$80,000,000 thousand.
- 3) As of March 31, 2024, December 31, 2023 and March 31, 2023, the effective interest rate ranges of the credit borrowings were 0.55%-17.27%, 0.10%-16.26% and 0.10%-15.78% per annum, respectively. As of March 31, 2024, December 31, 2023 and March 31, 2023, the effective interest rate ranges of the secured borrowings were 2.15%-4.47%, 2.15%-6.20% and 0.55%-4.70% per annum, respectively.
- 4) As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group's current portions of the long-term borrowings under the loan agreements were NT\$1,744,773 thousand, NT\$1,538,480 thousand and NT\$1,089,369 thousand, respectively. The Group's consolidated financial statements for the years ended December 31, 2023 and 2022 showed that the Group was in compliance with the aforementioned financial ratio requirements.
- 5) Refer to Note 37 for collaterals pledged on bank borrowings as of March 31, 2024, December 31, 2023 and March 31, 2023.
- c. Long-term notes and bills payables as of March 31, 2024, December 31, 2023 and March 31, 2023 were as follows:

March 31, 2024

Acceptance Agency	Type	Interest Rate	Amount
China Bills, Mega Bills and International Bills	Unsecured	2.083-2.226	\$ 1,500,000
Less: Discount on long-term bills payable			<u>(1,106)</u>
			<u>\$ 1,498,894</u>

December 31, 2023

Acceptance Agency	Type	Interest Rate	Amount
China Bills, Mega Bills and International Bills	Unsecured	1.521-1.58	\$ 3,000,000
Less: Discount on long-term bills payable			<u>(1,178)</u>
			<u>\$ 2,998,822</u>

March 31, 2023

Acceptance Agency	Type	Interest Rate	Amount
China Bills, Mega Bills and International Bills	Unsecured	1.211-1.422	\$ 3,000,000
Less: Discount on long-term bills payable			<u>(2,175)</u>
			<u>\$ 2,997,825</u>

24. BONDS PAYABLE

	March 31, 2024	December 31, 2023	March 31, 2023
Domestic unsecured bonds	\$ 12,800,000	\$ 12,800,000	\$ 7,500,000
Overseas unsecured bonds	259,606	253,345	345,695
Less: Current portion of long-term borrowings	<u>(105,809)</u>	<u>(101,940)</u>	<u>(99,450)</u>
	<u>\$ 12,953,797</u>	<u>\$ 12,951,405</u>	<u>\$ 7,746,245</u>

On October 8, 2021, WLC issued the first unsecured bond of 2021 in the amount of NT\$7.5 billion, each with a face value of NT\$10 million. The issuance period is 5 years, and the annual rate is 0.7%. The maturity date is on October 8, 2026. From the issuance date, the interest will be paid once a year, and the principal will be repaid upon maturity.

On April 11, 2023, the Company issued the first unsecured bond of 2023 in the amount of NT\$5.3 billion, which was divided into A and B bonds according to different issuance conditions. The issuance amount of Bond A is NT\$3 billion, and the issuance period is 5 years. The annual rate is 1.7%, and the maturity date is on April 11, 2028. The issuance amount of Bond B is NT\$2.3 billion, and the issuance period is 10 years. The annual rate is 2.1%, and the maturity date is on April 11, 2033. The interest of the two bonds will be paid once a year, and the principal will be repaid upon maturity.

The overseas unsecured bonds were acquired through business combination and were issued on June 24, 2019 in the amount of EUR15,000 thousand, each with a face value of EUR100 thousand. The insurance period is 7 years, and the annual percentage rate is 3.5%. The maturity date is on June 24, 2026. From the insurance date, the interest will be paid in half a year, and the principal will be repaid in 10 installments starting in the second year.

25. OTHER PAYABLES

	March 31, 2024	December 31, 2023	March 31, 2023
Payables for purchases of equipment	\$ 3,579,861	\$ 3,436,394	\$ 1,752,818
Payables for salaries or bonuses	1,049,322	1,001,161	815,819
Payables for dividends	4,810,853	3,586	6,719,609
Other accrued expenses payables	3,967,130	4,942,356	4,153,041
Other financing payables	2,625,326	2,628,672	6,814,969
Other payables - other	<u>115,432</u>	<u>57,627</u>	<u>319,385</u>
	<u>\$ 16,147,924</u>	<u>\$ 12,069,796</u>	<u>\$ 20,575,641</u>

As of March 31, 2024, December 31, 2023 and March 31, 2023, the effective interest rate ranges of other financing payables of the subsidiary PT. Sunny Metal Industry were 7.55%-7.58%, 6.83%-7.62% and 3.38%-7.14% respectively.

26. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2024 and 2023, the pension expenses of defined benefit plans were NT\$33,143 thousand and NT\$28,389 thousand, respectively, which were calculated based on the pension cost rates determined by the actuarial calculation on December 31, 2023 and 2022, respectively.

27. EQUITY

	March 31, 2024	December 31, 2023	March 31, 2023
Share capital			
Ordinary shares	\$ 40,313,329	\$ 40,313,329	\$ 37,313,329
Capital surplus	33,600,788	33,624,917	24,637,494
Retained earnings	56,918,050	60,590,617	57,414,187
Others	10,719,735	6,281,452	5,668,921
Non-controlling interests	<u>9,927,706</u>	<u>13,638,998</u>	<u>10,708,783</u>
	<u>\$ 151,479,608</u>	<u>\$ 154,449,313</u>	<u>\$ 135,742,714</u>

a. Share capital

Ordinary shares

	March 31, 2024	December 31, 2023	March 31, 2023
Number of authorized shares (in thousands)	<u>6,500,000</u>	<u>6,500,000</u>	<u>6,500,000</u>
Amount of authorized shares	<u>\$ 65,000,000</u>	<u>\$ 65,000,000</u>	<u>\$ 65,000,000</u>
Number of issued and fully paid shares (in thousands)	<u>4,031,333</u>	<u>4,031,333</u>	<u>3,731,333</u>
Amount of issued shares	<u>\$ 40,313,329</u>	<u>\$ 40,313,329</u>	<u>\$ 37,313,329</u>

On May 29, 2023, WLC's board of directors resolved to issue ordinary shares for cash to participate in the issuance of GDRs. On June 30, 2023, the Group issued 30,000 thousand units of GDRs on the Luxembourg Stock Exchange, with each unit representing 10 ordinary shares of WLC. This amounted to a total of 300,000 thousand shares with a unit price of US\$12.97, raising a total of US\$389,100 thousand. As of March 31, 2024, the paid-in capital was NT\$40,313,329 thousand, divided into 4,031,333 thousand ordinary shares at par value of NT\$10.

As of March 31, 2024, 30,002 thousand GDRs of WLC were traded on the Luxembourg Stock Exchange. The number of ordinary shares represented by the GDRs was 300,022 thousand shares (one GDR represents 10 ordinary shares).

b. Capital surplus

	March 31, 2024	December 31, 2023	March 31, 2023
May be used to offset a deficit, distributed as cash dividend or transferred to share capital (Note)			
Issuance of ordinary shares	\$ 27,787,949	\$ 27,787,949	\$ 18,864,452
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	2,130	2,130	2,130
Share of changes in capital surplus of associates	436,895	434,243	406,230

(Continued)

	March 31, 2024	December 31, 2023	March 31, 2023
Treasury share transactions	\$ 2,254,074	\$ 2,254,074	\$ 2,254,074
Gain on disposal of property plant and equipment	2,074,231	2,074,231	2,074,231
Others	1,045,509	1,045,560	1,036,377
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries	<u>-</u>	<u>26,730</u>	<u>-</u>
	<u>\$ 33,600,788</u>	<u>\$ 33,624,917</u>	<u>\$ 24,637,494</u>
			(Concluded)

Note: The premium from shares issued in excess of par (share premium from issuance of ordinary shares, conversion of bonds and treasury share transactions) and donations may be used to offset a deficit; in addition, when the Group has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Group's capital surplus and to once a year). The capital surplus arises from changes in capital surplus of associates accounted for using the equity method, employee share options and share warrants may not be used for any purposes.

c. Retained earnings and dividend policy

Under the dividends policy where WLC made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit this requirement is not applicable when the legal reserve has reached the total capital, and then any remaining profit together with prior unappropriated earnings shall be appropriated for special reserve or appropriate reversal of special reserve in accordance with the laws and regulations, and then the balance shall be used by WLC's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends to shareholders. If appropriated earnings are distributed in cash, the cash distribution shall be resolved by WLC's board of directors and reported in the shareholders' meeting. Other than the aforementioned regulations, the distribution shall be after deducting share of profit of associates accounted for using the equity method and adding cash dividends of associates accounted for using the equity method. WLC shall reserve no lesser than 40% of the balance amount as shareholders' profit after offsetting its loss and tax payments in the previous year, capital reserve, and special reserve adjusted by the accumulated net deduction of other equity. The profits shall be distributed in cash or in form of shares; cash dividends shall not be lesser than 70% of the total dividends.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals WLC's paid-in capital. The legal reserve may be used to offset any deficits. If WLC has no deficit and the legal reserve has exceeded 25% of WLC's paid-in capital, the excess may be transferred to capital or distributed in cash.

Items referred to under Rule No. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by WLC.

Refer to Note 29 for the policies on the distribution of employees' compensation and remuneration of directors.

The appropriations of earnings for 2023 and 2022 were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2023	2022	2023	2022
Legal reserve	\$ 526,862	\$ 1,974,132	\$ -	\$ -
Cash dividends	<u>4,434,466</u>	<u>6,716,399</u>	1.1	1.8
	<u>\$ 4,961,328</u>	<u>\$ 8,690,531</u>		

The above appropriations for cash dividends were approved by WLC's board of directors on February 23, 2024 and February 24, 2023, and the other appropriations for 2022 were approved by the shareholders in their meeting on May 19, 2023. The other appropriations for 2023 are yet to be resolved at the shareholders' meeting scheduled for May 17, 2024.

d. Special reserve

	March 31, 2024	December 31, 2023	March 31, 2023
Special reserve	<u>\$ 2,712,250</u>	<u>\$ 2,712,250</u>	<u>\$ 2,712,250</u>

Information regarding the above special reserve did not change for the three months ended March 31, 2024 and 2023.

e. Other equity items

1) Exchange differences on the translation of the financial statements of foreign operations

	For the Three Months Ended March 31	
	2024	2023
Balance at January 1	\$ (4,947,475)	\$ (4,256,774)
Share from subsidiaries and associates accounted for using the equity method	<u>3,140,682</u>	<u>(14,629)</u>
Balance at March 31	<u>\$ (1,806,793)</u>	<u>\$ (4,271,403)</u>

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (the New Taiwan dollar) were recognized directly in other comprehensive income and accumulated in the exchange differences on the translation of the financial statements of foreign operations. Exchange differences previously accumulated in the exchange differences on the translation of the financial statements of foreign operations were reclassified to profit or loss when disposing foreign operation.

2) Unrealized valuation gain (loss) on financial assets at FVOCI

	For the Three Months Ended March 31	
	2024	2023
Balance at January 1	\$ 14,068,677	\$ 6,693,877
Unrealized gain - equity instruments	1,993,594	4,201,515
Share from associates accounted for using the equity method	(700,312)	1,859,219
Cumulative unrealized (loss) gain of equity instruments transferred to retained earnings due to disposal	<u>(19,960)</u>	<u>17</u>
Balance at March 31	<u>\$ 15,341,999</u>	<u>\$ 12,754,628</u>

3) Loss on hedging instruments

	For the Three Months Ended March 31	
	2024	2023
<u>Cash flow hedges</u>		
Balance at January 1	\$ (65,100)	\$ (105,801)
Loss on hedging instruments	<u>24,279</u>	<u>66,104</u>
Balance at March 31	<u>\$ (40,821)</u>	<u>\$ (39,697)</u>

4) Other equity - others

	March 31, 2024	December 31, 2023	March 31, 2023
Other equity - others	<u>\$ (2,774,650)</u>	<u>\$ (2,774,650)</u>	<u>\$ (2,774,607)</u>

Information regarding the above other equity - others did not change for the three months ended March 31, 2024 and 2023.

28. OPERATING REVENUE

	For the Three Months Ended March 31	
	2024	2023
Sales revenue	\$ 39,366,847	\$ 49,543,180
Sales of real estate	2,531	2,531
Other revenue	<u>1,180,459</u>	<u>1,167,867</u>
	<u>\$ 40,549,837</u>	<u>\$ 50,713,578</u>

29. NET PROFIT FROM CONTINUING OPERATIONS

a. Non-operating income and expense - gain (loss) on disposal of investments

	For the Three Months Ended March 31	
	2024	2023
Gain on disposal of investments - non-iron commodity futures	\$ 69,145	\$ 626,857
Loss on disposal of investments - foreign exchange forward contracts	(2,094)	(59,642)
Gain (loss) on disposal of investment - exchange rate swap contracts	25,051	(22,125)
Loss on disposal of investment - options	<u>(5,796)</u>	<u>(14,003)</u>
	<u>\$ 86,306</u>	<u>\$ 531,087</u>

b. Non-operating income and expense - impairment loss (recognized) reversed

	For the Three Months Ended March 31	
	2024	2023
Impairment loss reversed on property, plant and equipments	\$ 42	\$ 7
Others	<u>(3)</u>	<u>(6)</u>
	<u>\$ 39</u>	<u>\$ 1</u>

c. Employee benefits expense, depreciation and amortization

	For the Three Months Ended March 31, 2024			
	Operating Costs	Operating Expenses	Non-operating Expenses and Losses	Total
Short-term employment benefits	\$ 1,389,434	\$ 799,829	\$ -	\$ 2,189,263
Post-employment benefits	\$ 77,933	\$ 33,714	\$ -	\$ 111,647
Other employee benefits	<u>\$ 259,957</u>	<u>\$ 142,111</u>	<u>\$ -</u>	<u>\$ 402,068</u>
Depreciation				
Property, plant and equipments	\$ 1,497,072	\$ 182,688	\$ -	\$ 1,679,760
Right-of-use assets	64,478	35,834	-	100,312
Investment properties	<u>115,612</u>	<u>545</u>	<u>-</u>	<u>116,157</u>
	<u>\$ 1,677,162</u>	<u>\$ 219,067</u>	<u>\$ -</u>	<u>\$ 1,896,229</u>
Amortization	<u>\$ 287,904</u>	<u>\$ 40,852</u>	<u>\$ -</u>	<u>\$ 328,756</u>

For the Three Months Ended March 31, 2023				
	Operating Costs	Operating Expenses	Non-operating Expenses and Losses	Total
Short-term employment benefits	\$ 1,310,409	\$ 912,216	\$ -	\$ 2,222,625
Post-employment benefits	\$ 74,515	\$ 34,463	\$ -	\$ 108,978
Other employee benefits	\$ 245,181	\$ 121,186	\$ -	\$ 366,367
Depreciation				
Property, plant and equipments	\$ 1,233,640	\$ 160,000	\$ 717	\$ 1,394,357
Right-of-use assets	41,914	39,584	-	81,498
Investment properties	114,186	545	-	114,731
	<u>\$ 1,389,740</u>	<u>\$ 200,129</u>	<u>\$ 717</u>	<u>\$ 1,590,586</u>
Amortization	\$ 240,234	\$ 16,998	\$ -	\$ 257,232

d. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrued employees' compensation and remuneration of directors at rates of no less than 1% and no higher than 1%, respectively, of net profit before income tax, employees' compensation, and remuneration of directors. For the three months ended March 31, 2024 and 2023, the employees' compensation amounted to NT\$25,084 thousand and NT\$36,179 thousand, respectively, and the remuneration of directors amounted to \$8,007 thousand and NT\$18,750 thousand, respectively.

Material differences between such estimated amounts and the amounts proposed by the board of directors on or before the issuance date of the annual consolidated financial statements are adjusted in the year the compensation and remuneration were recognized. If there is a change in the amounts after the issuance date of the annual consolidated financial statements, the differences will be recorded as a change in the accounting estimate in the next year.

The employees' compensation and the remuneration of directors for 2023 and 2022 resolved by WLC's board of directors on February 23, 2024 and February 24, 2023, respectively, are the same as the amounts recognized in the 2023 and 2022 consolidated financial statements.

For the Year Ended December 31				
	2023		2022	
	Employees' Compensation	Remuneration of Directors	Employees' Compensation	Remuneration of Directors
Amounts resolved in shareholders' meetings	\$ 70,700	\$ 30,000	\$ 252,000	\$ 100,050
Amounts recognized in respective financial statements	<u>70,700</u>	<u>30,000</u>	<u>252,000</u>	<u>100,050</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Information on the employees' compensation and remuneration of directors resolved by WLC's board of directors in 2024 and 2023 is available at the Market Observation Post System website of the Taiwan Stock Exchange.

30. INCOME TAXES RELATING TO CONTINUING OPERATIONS

- a. Income tax recognized in profit or loss

Major components of income tax (benefit) expense are as follows:

	For the Three Months Ended March 31	
	2024	2023
Current tax		
In respect of the current period	\$ 1,066,291	\$ 446,171
Adjustments for prior period	31,162	13,939
Land value-added tax	-	127
	<u>1,097,453</u>	<u>460,237</u>
Deferred tax		
In respect of the current period	(1,224,863)	140,972
Adjustments for prior period	(378)	(2,318)
	<u>(1,225,241)</u>	<u>138,654</u>
Income tax expense recognized in profit or loss	<u>\$ (127,788)</u>	<u>\$ 598,891</u>

- b. WLC's income tax returns through 2020, have been assessed by the tax authorities.

- c. Pillar Two income tax legislation

The governments of the United Kingdom, Luxembourg, Germany, France, Italy and South Korea, where part of WLC's subsidiaries are registered, enacted the Pillar Two income tax legislation effective on January 1, 2024. Part of WLC's subsidiaries in Malaysia are registered but the Pillar Two income tax legislation was not effective at the reporting date. Under the legislation, part of WLC's subsidiaries will be required to pay, in the above country, a top-up tax on the profits of its subsidiaries that are taxed at an effective tax rate of less than 15 %. As of March 31, 2024, the Pillar Two income tax risk of the aforementioned country has no significant impact on the income tax of the Group. The Group will continue to assess the impact of the Pillar Two income tax legislation on its future financial performance.

31. EARNINGS PER SHARE

	For the Three Months Ended March 31					
	2024			2023		
	Amounts (Numerator)		Earnings Per Share (In Dollars)	Amounts (Numerator)		Earnings Per Share (In Dollars)
	After Income Tax (Attributable to Parent's Shareholders)	Shares (Denominator) (In Thousands)	After Income Tax (Attributable to Parent's Shareholders)	After Income Tax (Attributable to Parent's Shareholders)	Shares (Denominator) (In Thousands)	After Income Tax (Attributable to Parent's Shareholders)
Basic earnings per share						
Net income	\$ 870,406	4,031,333	<u>\$ 0.22</u>	\$ 2,095,226	3,731,333	<u>\$ 0.56</u>
Effect potentially of dilutive potential ordinary shares						
Employees compensation	-	1,832		-	6,208	
	<u>\$ 870,406</u>	<u>4,033,165</u>	<u>\$ 0.22</u>	<u>\$ 2,095,226</u>	<u>3,737,541</u>	<u>\$ 0.56</u>

32. BUSINESS COMBINATIONS

a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Hangzhou Walsin Power Cable & Wire Co., Ltd. and Subsidiary	Manufacture and sale of cables and wires	February 29, 2024	60.00	<u>\$ 1,341,944</u>

In order to enter the high-voltage land cable markets, the Group acquired 60% of the shares of Hangzhou Walsin Power Cable & Wire Co., Ltd. and its subsidiary Hangzhou Futong Electric Industries Co., Ltd. for a cash consideration of \$1,341,944 thousand on February 29, 2024. The Group now holds 100% of the shares of Hangzhou Walsin Power Cable & Wire Co., Ltd. and its subsidiary.

b. Consideration transferred

	Amount
Cash	\$ 1,341,944
Fair value of the original holding shares (40% ownership interest in the Group's)	<u>766,681</u>
	<u>\$ 2,108,625</u>

The acquisition-related costs were excluded from the consideration transferred and were recognized as other expenses in the period of acquisition.

c. Assets acquired and liabilities assumed at the date of acquisition

	Hangzhou Walsin Power Cable & Wire Co., Ltd.
Current assets	
Cash and cash equivalents	\$ 136,811
Net notes receivable	44,099
Net trade receivables	1,159,996
Other receivables	9,325
Inventories	699,470
Other current assets	66,064
Non-current assets	
Property, plant and equipment	767,328
Right-of-use assets	443,738
Other intangible assets	40,004
Deferred tax assets	89,184
Other non-current assets	255,729
Current liabilities	
Short-term borrowings	(222,276)
Notes payable	(242,424)
	(Continued)

**Hangzhou
Walsin Power
Cable & Wire
Co., Ltd.**

Trade payables	\$ (407,203)
Other payables	(178,630)
Other current liabilities	(377,670)
Non-current liabilities	
Deferred tax liabilities	(173,017)
Other non-current liabilities	<u>(1,903)</u>
	<u>\$ 2,108,625</u>
	(Concluded)

The accounting treatment of Hangzhou Walsin Power Cable & Wire Co., Ltd. is provisional as of the balance sheet date. As of the date of issuance of these consolidated financial statements, the necessary market valuations and other calculations have not been finalized. The amounts may change upon the issuance of the purchase price allocation report.

d. Net cash outflow on the acquisition of subsidiaries

**Hangzhou
Walsin Power
Cable & Wire
Co., Ltd.**

Consideration paid in cash	\$ 1,341,944
Less: Cash and cash equivalent balance acquired	<u>(136,811)</u>
Acquired net cash outflow from subsidiaries	<u>\$ 1,205,133</u>

e. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, were as follows:

**Hangzhou
Walsin Power
Cable & Wire
Co., Ltd.**

Operating revenue	<u>\$ 138,792</u>
Net profit (loss)	<u>\$ (64,472)</u>

Had Hangzhou Walsin Power Cable & Wire Co., Ltd. concluded the acquisition at the beginning of January 1, 2024, the Group's revenue and profit for the three months ended March 31, 2024, would have been \$40,744,273 thousand and \$837,818 thousand, respectively. This pro-forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the acquisition year, 2024, nor is it intended to be a projection of future results.

33. OPERATING LEASE ARRANGEMENTS

Operating leases are related to leases of the emporium and the investment properties owned by the Group with lease terms between 5 and 10 years, with an option to extend for another 10 years. All operating lease contracts contain market review clauses in the event that the lessees exercise their options to renew. The lessees do not have bargain purchase options to acquire the properties at the expiry of the lease periods.

As of March 31, 2024, December 31, 2023 and March 31, 2023, deposits received under operating leases amounted to NT\$374,244 thousand, NT\$361,813 thousand and NT\$341,276 thousand, respectively (recorded under other non-current liabilities).

As of March 31, 2024, the Group's future minimum lease receivables on non-cancelable operating lease commitments are as follows:

	Amount
2024 (from April 1 to December 31)	\$ 1,146,104
2025-2028	3,306,173
After 2029	<u>301,871</u>
	<u>\$ 4,754,148</u>

34. CAPITAL MANAGEMENT

The Group's capital management objective is to ensure that it has the necessary financial resources and operational plan so that it can cope with the next 12 months working capital requirements, capital expenditures, debt repayments and dividends spending.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Group (comprising issued capital, reserves, retained earnings and other equity).

Key management personnel of the Group review the capital structure on a quarterly basis. As part of this review, the key management personnel, consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

35. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

Except the following assets and liabilities, the management considers that the carrying amounts of financial assets and financial liabilities not recognized at fair value approximate to their fair values.

March 31, 2024

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial assets</u>					
Financial assets at amortized cost					
Corporate bonds	\$ 15	\$ -	\$ -	\$ 15	\$ 15
Mutual funds	722	-	-	722	722
Government bonds	<u>127,439</u>	<u>-</u>	<u>126,586</u>	<u>-</u>	<u>126,586</u>
	<u>\$ 128,176</u>	<u>\$ -</u>	<u>\$ 126,586</u>	<u>\$ 737</u>	<u>\$ 127,323</u>
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Bonds payable	\$ 13,059,606	\$ -	\$ 12,663,100	\$ -	\$ 12,663,100

December 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial assets</u>					
Financial assets at amortized cost					
Corporate bonds	\$ 15	\$ -	\$ -	\$ 15	\$ 15
Mutual funds	712	-	-	712	712
Government bonds	<u>184,613</u>	<u>-</u>	<u>184,046</u>	<u>-</u>	<u>184,046</u>
	<u>\$ 185,340</u>	<u>\$ -</u>	<u>\$ 184,046</u>	<u>\$ 727</u>	<u>\$ 184,773</u>
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Bonds payable	<u>\$ 13,053,345</u>	<u>\$ -</u>	<u>\$ 12,656,839</u>	<u>\$ -</u>	<u>\$ 12,656,839</u>

March 31, 2023

	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial assets</u>					
Financial assets at amortized cost					
Corporate bonds	\$ 304	\$ -	\$ -	\$ 304	\$ 304
Mutual funds	1,205	-	-	1,205	1,205
Government bonds	<u>186,500</u>	<u>-</u>	<u>182,316</u>	<u>-</u>	<u>182,316</u>
	<u>\$ 188,009</u>	<u>\$ -</u>	<u>\$ 182,316</u>	<u>\$ 1,509</u>	<u>\$ 183,825</u>

Financial liabilities

Financial liabilities at amortized cost					
Bonds payable	<u>\$ 7,845,695</u>	<u>\$ -</u>	<u>\$ 7,389,523</u>	<u>\$ -</u>	<u>\$ 7,389,523</u>

The fair values of the financial assets and financial liabilities included in the Level 2 and Level 3 categories above have been determined in accordance with the income approach based on a discounted cash flow analysis. The observable inputs included bond duration, bond interest rates and credit rating. The significant unobservable input used in Level 3 is the discount rate that reflects the credit risk of counterparties.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives not designated as hedging instruments	\$ 105,942	\$ 38,021	\$ -	\$ 143,963
Foreign unlisted shares	-	-	77,307	77,307
Contingent consideration	-	-	1,195,872	1,195,872
Derivative financial assets for hedging	<u>-</u>	<u>76,024</u>	<u>-</u>	<u>76,024</u>
	<u>\$ 105,942</u>	<u>\$ 114,045</u>	<u>\$ 1,273,179</u>	<u>\$ 1,493,166</u>

Financial assets at FVTOCI

Investments in equity instruments				
Listed securities in ROC	\$ 19,981,303	\$ -	\$ -	\$ 19,981,303
Unlisted securities	<u>-</u>	<u>-</u>	<u>892,759</u>	<u>892,759</u>
	<u>\$ 19,981,303</u>	<u>\$ -</u>	<u>\$ 892,759</u>	<u>\$ 20,874,062</u>

(Continued)

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities at FVTPL</u>				
Derivatives not designated as hedging instruments	\$ -	\$ -	\$ -	\$ -
Contingent consideration	-	-	430,782	430,782
Hedging derivative financial liabilities	-	12,405	-	12,405
	<u>\$ -</u>	<u>\$ 12,405</u>	<u>\$ 430,782</u>	<u>\$ 443,187</u>
				(Concluded)

December 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives not designated as hedging instruments	\$ 68,624	\$ 10,142	\$ -	\$ 78,766
Foreign unlisted shares	-	-	79,541	79,541
Contingent consideration	-	-	2,614,285	2,614,285
Derivatives financial assets for hedging	-	53,439	-	53,439
	<u>\$ 68,624</u>	<u>\$ 63,581</u>	<u>\$ 2,693,826</u>	<u>\$ 2,826,031</u>

Financial assets at fair value FVTOCI

Investments in equity instruments				
Listed securities in the ROC	\$ 17,902,362	\$ -	\$ -	\$ 17,902,362
Unlisted securities	-	-	920,810	920,810
	<u>\$ 17,902,362</u>	<u>\$ -</u>	<u>\$ 920,810</u>	<u>\$ 18,823,172</u>

Financial liabilities at FVTPL

Derivatives not designated as hedging instruments	\$ -	\$ 22,746	\$ -	\$ 22,746
Contingent consideration	-	-	484,429	484,429
Derivatives financial assets for hedging	-	8,583	-	8,583
	<u>\$ -</u>	<u>\$ 31,329</u>	<u>\$ 484,429</u>	<u>\$ 515,758</u>

March 31, 2023

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Derivatives not designated as hedging instruments	\$ 145,280	\$ 4,929	\$ -	\$ 150,209
Foreign unlisted shares	-	-	70,313	70,313
Contingent consideration	-	-	2,528,842	2,528,842
Derivative financial assets for hedging	-	147,930	-	147,930
	<u>\$ 145,280</u>	<u>\$ 152,859</u>	<u>\$ 2,599,155</u>	<u>\$ 2,897,294</u>

Financial assets at FVTOCI

Investments in equity instruments				
Listed securities in ROC	\$ 15,919,082	\$ -	\$ -	\$ 15,919,082
Unlisted securities	-	-	648,938	648,938
	<u>\$ 15,919,082</u>	<u>\$ -</u>	<u>\$ 648,938</u>	<u>\$ 16,568,020</u>

Financial liabilities at
FVTPL

Derivatives not designated as hedging instruments	\$ -	\$ 18,378	\$ -	\$ 18,378
Contingent consideration	-	-	393,633	393,633
Hedging derivative financial liabilities	-	66,311	-	66,311
	<u>\$ -</u>	<u>\$ 84,689</u>	<u>\$ 393,633</u>	<u>\$ 478,322</u>

- 2) There were no transfers between Levels 1, 2 and 3 for the three months ended March 31, 2024 and 2023.
- 3) Reconciliation of Level 3 fair value measurements of financial instruments.

For the three months ended March 31, 2024

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2024	\$ 920,810
Additions	54,121
Recognized in other comprehensive loss	(85,348)
Effects of exchange difference	<u>3,176</u>
Balance at March 31, 2024	<u>\$ 892,759</u>

	Financial Assets at FVTPL	
	Financial Assets	Financial Liabilities
Balance at January 1, 2024	\$ 2,693,826	\$ 484,429
Disposals	(1,463,430)	-
Recognized in profit or loss	(44,720)	(59,968)
Effects of exchange difference	<u>87,503</u>	<u>6,321</u>
Balance at March 31, 2024	<u>\$ 1,273,179</u>	<u>\$ 430,782</u>

For the three months ended March 31, 2023

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2023	\$ 624,755
Recognized in other comprehensive income	23,905
Effects of exchange difference	<u>278</u>
Balance at March 31, 2023	<u>\$ 648,938</u>

	Financial Assets at FVTPL	
	Financial Assets	Financial Liabilities
Balance at January 1, 2023	\$ 2,639,755	\$ 363,192
Additions	1	-
Recognized in profit or loss	(19,763)	25,247
Effects of exchange difference	<u>(20,838)</u>	<u>5,194</u>
Balance at March 31, 2023	<u>\$ 2,599,155</u>	<u>\$ 393,633</u>

4) Valuation technique and inputs applied for Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign exchange forward contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, and discounted at a rate that reflects the credit risk of various counterparties.
Derivatives - exchange rate swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, and discounted at a rate that reflects the credit risk of various counterparties.
Derivatives - interest rate contracts	Discounted cash flow. Future cash flows are estimated based on observable floating rates at the end of the reporting period and fixed interest rates under contracts.

(Continued)

Financial Instruments	Valuation Techniques and Inputs
Derivatives - option	Black-Scholes Model. The significant unobservable input value is the market price volatility of the commodity.
Derivatives - gas swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward gas prices at the end of the reporting period and fixed gas prices under contract.
Derivatives - electricity swap contracts	Discounted cash flow. Future cash flows are estimated based on observable forward electricity prices at the end of the reporting period and fixed power prices under contract. (Concluded)

5) Valuation technique and inputs applied for Level 3 fair value measurement

Financial Instruments	Valuation Technique and Inputs
Unlisted equity securities	Market approach. Fair values are determined based on the observable and comparable companies' fair values at the end of the reporting period, adjusted by price earnings ratio and price-to-book ratio of the investees. Net asset method. Fair values are determined based on the book value of companies. Discounted cash flow. Present values are determined based on future cash flows discounted at market yield.
Contingent consideration	The estimated fair value is discounted according to the probability of reaching the agreed conditions and based on the credit risk discount rate and other information.

c. Categories of financial instruments

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets</u>			
Financial assets at amortized cost			
Cash and cash equivalents	\$ 12,313,790	\$ 16,347,012	\$ 8,257,051
Contract assets - current	957,486	996,025	2,446,676
Notes receivable and trade receivables (including related parties)	18,084,617	15,912,283	21,138,833
Finance lease receivables (current and non-current)	587,201	602,523	647,727
Other receivables	3,495,588	3,707,450	6,202,647
Other financial assets	182,159	788,894	456,037
Refundable deposits	301,349	158,940	241,940
Financial assets at amortized cost (current and non-current)	128,176	185,340	188,009
Derivative financial assets for hedging (current and non-current)	76,024	399,880	147,930
			(Continued)

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets at FVTPL (current and non-current)	\$ 1,417,142	\$ 2,772,592	\$ 2,749,364
Financial assets at FVTOCI (current and non-current)	20,874,062	18,823,172	16,568,020
<u>Financial liabilities</u>			
Financial liabilities at FVTPL (current and non-current)	430,782	507,175	412,011
Derivative financial liabilities for hedging (current and non-current)	12,405	8,583	66,311
Financial liabilities at amortized cost			
Short-term borrowings	13,008,707	11,508,074	10,579,353
Contract liabilities	22,579	13,828	13,881
Notes payable and trade payables	16,760,189	16,708,534	18,471,793
Other payables	16,147,924	12,069,796	20,575,641
Bonds payable (including current portion)	13,059,606	13,053,345	7,845,695
Long-term borrowings (including current portion)	35,163,499	33,463,012	37,542,266
Long-term notes and bills payable	1,498,894	2,998,822	2,997,825
Deposits received (recorded under other current and non-current liabilities)	408,980	421,207	410,228
			(Concluded)

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and investments, borrowings, trade receivables, and trade payables. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provides written principles on foreign exchange risk, interest rate risk and credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments for speculative purposes.

1) Market risk

The Group's activities exposed is primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into foreign exchange forward contracts and interest rate swaps contracts to hedge foreign currency risk and interest rate risk.

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

a) Foreign currency risk

The Group has foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

It is the Group's policy to make the terms of the derivatives instruments match the terms of the hedged items and to maximize the hedge effectiveness.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the period are set out in Note 40.

The carrying amounts of the Group's derivatives exposed to foreign currency risk at the end of the reporting period were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Assets</u>			
U.S. dollar	\$ 11,093,499	\$ 4,421,152	\$ 3,784,440
Euro	2,749,419	359,254	749,661
<u>Liabilities</u>			
U.S. dollar	997,499	7,384,553	3,652,575
Euro	609,301	1,384,234	660,653

Sensitivity analysis

The Group is mainly exposed to the U.S. dollars and euros.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e. functional currency) against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates.

	U.S. Dollar Impact	
	For the Three Months Ended	
	March 31	
	2024	2023
Profit or loss	\$ 136,340	\$ 72,435
	Euro Dollar Impact	
	For the Three Months Ended	
	March 31	
	2024	2023
Profit or loss	\$ 27,777	\$ 8,298

Hedge accounting

The Group's hedging strategy is to enter into foreign exchange forward contracts, foreign exchange swap contracts and foreign-currency deposits to avoid the exposure of its foreign currency receipts and payments and to the exchange rate and the procurement of significant capital expenditures in foreign currency. Those transactions are designated as cash flow hedges. When forecast purchases actually take place, basis adjustments are made to the initial carrying amounts of non-financial hedged items when the anticipated purchases take place.

March 31, 2024

Hedging Instrument/ Hedged Items	Notional Amount	Line Item in Balance Sheet	Carrying Amount	
			Asset	Liability
Cash flow hedges				
Foreign exchange forward contracts/Forecast purchases	NT\$899,255/ EUR26,841	Financial assets for hedging	\$ 9,357	\$ -
Hedging Instrument/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity	
			Continuing Hedges	Hedge Accounting No Longer Applied
Cash flow hedges				
Foreign exchange forward contracts/Anticipated equipment purchase payment	\$ 9,357	\$ (9,357)	\$ 9,357	\$ -

For the three months ended March 31, 2024

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedges					
Anticipated equipment purchase payment	\$ 9,357	\$ -	\$ -	\$ -	\$ -

The key terms of forward foreign exchange contracts outstanding as of the balance sheet date, which have not yet matured, are as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>March 31, 2024</u>			
Foreign exchange forward contracts	EUR/NTD	2024.04.15-2026.02.26	EUR26,841/NTD899,255

December 31, 2023

Hedging Instrument/ Hedged Items	Notional Amount	Line Item in Balance Sheet	Carrying Amount	
			Asset	Liability
Cash flow hedges				
Foreign exchange forward contracts/Forecast purchases	NT\$727,420/ EUR21,666	Financial liability for hedging	\$ -	\$ 4,967
Hedging foreign-currency deposits/Forecast purchases	EUR10,195	Financial assets for hedging	346,441	-
Hedging Instrument/ Hedged Items	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity	
			Continuing Hedges	Hedge Accounting No Longer Applied
Cash flow hedges				
Foreign exchange forward contracts/Anticipated equipment purchase payment	\$ (4,967)	\$ 4,967	\$ (4,967)	\$ -
Hedging foreign-currency deposits/Anticipated equipment purchase payment	3,655	(3,655)	3,655	-

For the year ended December 31, 2023

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Cash flow hedges					
Anticipated equipment purchase payment	\$ (1,312)	\$ -	\$ -	\$ -	\$ -

The key terms of forward foreign exchange contracts outstanding as of the balance sheet date, which have not yet matured, are as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2023</u>			
Foreign exchange forward contracts	EUR/NTD	2024.07.31-2026.02.26	EUR21,666/NTD727,420

March 31, 2023

Hedging Instrument/ Hedged Items	Notional Amount	Line Item in Balance Sheet	Carrying Amount	
			Asset	Liability
Fair value hedges				
Exchange rate swap contracts/Forecast repayment of capital borrowing	USD74,088/ RMB503,509	Financial liability for hedging	\$ -	\$ 7,531
	Change in Fair Value of Hedging Instruments Used for Calculating Hedge Ineffectiveness	Change in Fair Value of Hedged Items Used for Calculating Hedge Ineffectiveness	Balance in Other Equity	
Hedging Instrument/ Hedged Items			Continuing Hedges	Hedge Accounting No Longer Applied
Fair value hedges				
Exchange rate swap contracts/Forecast repayment of capital borrowing	\$ (7,531)	\$ 7,531	\$ (7,531)	\$ -

For the three months ended March 31, 2023

Comprehensive Income	Hedging Gains (Losses) Recognized in OCI	Amount of Hedge Ineffectiveness Recognized in Profit or Loss	Line Item in Which Hedge Ineffectiveness is Included	Amount Reclassified to P/L and Adjusted Line Item	
				Due to Hedged Item Affecting P/L	Due to Hedged Future Cash Flows No Longer Expected to Occur
Fair value hedges					
Forecast repayment of capital borrowing	\$ (7,531)	\$ -	\$ -	\$ -	\$ -

The key terms of forward foreign exchange contracts outstanding as of the balance sheet date, which have not yet matured, are as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>March 31, 2023</u>			
Exchange rate swap contracts	USD/RMB	2023.06.27-2023.06.30	USD74,088/RMB503,509

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates.

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

	March 31, 2024	December 31, 2023	March 31, 2023
Fair value interest rate risk			
Financial assets	\$ 127,439	\$ 184,613	\$ 186,500
Financial liabilities	13,059,606	13,053,345	7,845,695
Cash flow interest rate risk			
Financial assets	737	727	1,509
Financial liabilities	52,296,426	50,598,580	57,934,413

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for financial instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 1% basis points higher and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2024 and 2023 would have decreased by NT\$130,739 and NT\$144,832 thousand, respectively.

Hedge accounting

The Group entered into interest rate swap contracts to mitigate the risk of changes in interest rates on cash flow exposure related to its outstanding variable rate debt. Interest rate swaps are settled on a contract basis. The floating rate on interest rate swaps is Euro Interbank Offered Rate (Euribor). The Group will settle the difference between the fixed and floating interest rates on a net basis.

The following tables summarize the information relating to the hedges for interest rate risk.

March 31, 2024

Hedging Instrument	Currency	Contract Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change in Value Used for Calculating Hedge Ineffectiveness
							Asset	Liability	
Cash flow hedges									
Interest rate swap contracts	EUR	\$ 101,114	2024.12.30-2030.12.18	-0.255%-3.975%	Note	Financial assets for hedging	\$ 1,935	\$ -	\$ -

December 31, 2023

Hedging Instrument	Currency	Contract Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change in Value Used for Calculating Hedge Ineffectiveness
							Asset	Liability	
Cash flow hedges									
Interest rate swap contracts	EUR	\$ 104,643	2024.12.30-2030.12.18	-0.255%-3.803%	Note	Financial assets for hedging	\$ 1,573	\$ -	\$ -

March 31, 2023

Hedging Instrument	Currency	Contract Amount	Maturity	Range of Interest Rates Paid	Range of Interest Rates Received	Line Item in Balance Sheet	Carrying Amount		Change in Value Used for Calculating Hedge Ineffectiveness
							Asset	Liability	
Cash flow hedges									
Interest rate swap contracts	EUR	\$ 89,718	2023.09.30-2030.12.18	-0.255%-3.120%	Note	Financial assets for hedging	\$ 4,462	\$ -	\$ -

Note: It is the three months interest rate of Euro Interbank Offered Rate (Euribor) on the second business day before the issuance date.

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 of the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to financial guarantees provided by the Group, could be equal to the total of the following:

- a) The carrying amount of the respective recognized financial assets as stated in the condensed balance sheets; and
- b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst the approved counterparties. Credit exposure is controlled by setting credit limits that are reviewed and approved by the risk management committee annually.

In order to minimize credit risk, the management of the Group has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Group reviews the recoverable amount of each individual trade receivables at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk was significantly reduced.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

- a) The following table details the Group's expected maturities for its non-derivative financial liabilities with agreed-upon repayment periods.

March 31, 2024

	1 Year	1-2 Years	2-5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Variable interest rate liabilities	\$ 17,378,806	\$ 2,923,430	\$ 29,335,056	\$ 2,659,134	\$ 52,296,426
Lease liabilities	282,561	337,681	580,278	2,479,381	3,679,901
Fixed interest rate liabilities	105,809	105,809	10,547,988	2,300,000	13,059,606
Non-interest bearing liabilities	<u>30,420,753</u>	<u>85,257</u>	<u>2,897,503</u>	<u>54,347</u>	<u>33,457,860</u>
	<u>\$ 48,187,929</u>	<u>\$ 3,452,177</u>	<u>\$ 43,360,825</u>	<u>\$ 7,492,862</u>	<u>\$ 102,493,793</u>

December 31, 2023

	1 Year	1-2 Years	2-5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Variable interest rate liabilities	\$ 15,675,226	\$ 4,932,019	\$ 27,212,466	\$ 2,778,869	\$ 50,598,580
Lease liabilities	303,890	317,576	552,859	2,334,493	3,508,818
Fixed interest rate liabilities	101,940	101,940	10,549,465	2,300,000	13,053,345
Non-interest bearing liabilities	<u>26,378,229</u>	<u>61,207</u>	<u>2,744,790</u>	<u>26,885</u>	<u>29,211,111</u>
	<u>\$ 42,459,285</u>	<u>\$ 5,412,742</u>	<u>\$ 41,059,580</u>	<u>\$ 7,440,247</u>	<u>\$ 96,371,854</u>

March 31, 2023

	1 Year	1-2 Years	2-5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Variable interest rate liabilities	\$ 18,483,692	\$ 5,672,787	\$ 33,105,731	\$ 672,203	\$ 57,934,413
Lease liabilities	224,956	309,895	611,939	2,222,096	3,368,886
Fixed interest rate liabilities	99,450	99,450	7,646,795	-	7,845,695
Non-interest bearing liabilities	<u>32,504,029</u>	<u>75,051</u>	<u>59,111</u>	<u>2,580,258</u>	<u>35,218,449</u>
	<u>\$ 51,312,127</u>	<u>\$ 6,157,183</u>	<u>\$ 41,423,576</u>	<u>\$ 5,474,557</u>	<u>\$ 104,367,443</u>

- b) The Group's expected maturities for its derivative financial instruments with agreed-upon settlement dates were as follows:

March 31, 2024

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total
<u>Net settled</u>						
Commodity futures contracts	\$ 50,227	\$ 55,506	\$ 209	\$ -	\$ -	\$ 105,942
Foreign exchange forward contracts	21,216	9,680	3,839	1,962	-	36,697
Exchange rate swap contracts	12,044	(6,067)	3,553	-	-	9,530
Interest rate swap contracts	-	-	-	62,713	3,954	66,667
Gas swap contracts	298	735	988	-	-	2,021
Electricity swap contracts	(4,485)	(9,960)	19	-	-	(14,426)
Futures options	<u>-</u>	<u>1,151</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,151</u>
	<u>\$ 79,300</u>	<u>\$ 51,045</u>	<u>\$ 8,608</u>	<u>\$ 64,675</u>	<u>\$ 3,954</u>	<u>\$ 207,582</u>

December 31, 2023

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total
<u>Net settled</u>						
Commodity futures contracts	\$ 27,368	\$ 34,910	\$ 6,346	\$ -	\$ -	\$ 68,624
Foreign exchange forward contracts	(13,465)	(2,631)	(2,207)	(2,705)	-	(21,008)
Exchange rate swap contracts	4,468	(11,173)	-	-	-	(6,705)
Interest rate swap contracts	-	-	-	48,415	5,024	53,439
Gas swap contracts	(1,100)	(1,171)	-	-	-	(2,271)
Electricity swap contracts	(216)	(378)	(751)	-	-	(1,345)
Futures options	<u>-</u>	<u>10,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,142</u>
	<u>\$ 17,055</u>	<u>\$ 29,699</u>	<u>\$ 3,388</u>	<u>\$ 45,710</u>	<u>\$ 5,024</u>	<u>\$ 100,876</u>

March 31, 2023

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years	Total
<u>Net settled</u>						
Commodity futures contracts	\$ 74,619	\$ 60,241	\$ 10,420	\$ -	\$ -	\$ 145,280
Foreign exchange forward contracts	(15,173)	(3,179)	(26)	-	-	(18,378)
Exchange rate swap contracts	-	(7,284)	-	-	-	(7,284)
Interest rate swap contracts	-	-	15,460	125,643	6,827	147,930
Gas swap contracts	(8,763)	-	(50,017)	-	-	(58,780)
Futures options	<u>-</u>	<u>4,682</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,682</u>
	<u>\$ 50,683</u>	<u>\$ 54,460</u>	<u>\$ (24,163)</u>	<u>\$ 125,643</u>	<u>\$ 6,827</u>	<u>\$ (213,450)</u>

e. Transfers of financial assets

1) Transfers of financial assets with recourse

The Group discounted trade receivables with an aggregate carrying amount of \$83,048 thousand and \$21,723 thousand to banks for the three months ended March 31, 2024 and 2023, respectively. According to the contract, if the trade receivables are not recoverable at maturity, the banks have the right to require that the Group pay the unsettled balance. As the Group has not transferred the significant risks and rewards relating to the trade receivables, the Group continues to recognize the full carrying amounts of the trade receivables and treats the trade receivables that have been transferred to banks as collateral for borrowings. Refer to Note 23.

As of March 31, 2024, December 31, 2023 and March 31, 2023, the carrying amount of these trade receivables that have been transferred but not derecognized was \$102,346 thousand, \$67,382 thousand, and \$144,203 thousand, and the carrying amount of the related liabilities was \$36,005 thousand, \$17,408 thousand and \$135,186 thousand, respectively.

2) Transfers of financial assets without recourse

The relevant information of the Group's sales of trade receivables were as follows:

Counterparty	Receivables Factoring Proceeds	Amount Reclassified to Other Receivables	Advances Received - Unused	Advances Received - Used	Annual Interest Rates on Advances Received (Used) (%)
<u>March 31, 2024</u>					
CTBC Bank	\$ 8,771	\$ -	US\$ 2,700	\$ -	-
<u>December 31, 2023</u>					
CTBC Bank	\$ 144,250	\$ 20,318	US\$ 2,700	\$ -	-
<u>March 31, 2023</u>					
CTBC Bank	\$ 42,134	\$ 25,012	US\$ 2,700	\$ -	-

36. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of WLC, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed as below:

a. Related party name and category

Related Party Name	Related Party Category
Winbond Electronics Corp.	Associate
Walsin Technology Corp.	Associate
Walton Advanced Engineering, Inc.	Associate
Chin-Xin Investment Co., Ltd.	Associate
Changzhou China Steel Precision Materials Co., Ltd.	Associate
Hangzhou Walsin Power Cable & Wire Co., Ltd.	Associate (Note 1)
Tsai Yi Corporation	Associate
Nuvoton Technology Corporation	Associate
Prosperity Dielectrics Co., Ltd.	Associate
PT. Westrong Metal Industry	Associate (Note 2)
Innovation West Mantewe Pte. Ltd.	Associate
Nuvoton Electronics Technology (H.K.) Limited	Associate
HannStar Display Corp.	Substantive related party
Kuang Tai Metal Industrial Co., Ltd.	Substantive related party
Hannstar Board Tech. (Jiangyin) Corp.	Substantive related party
HannStar Board Corp.	Substantive related party
Global Brands Manufacture Ltd.	Substantive related party
Info-Tek Corp.	Substantive related party
HannsTouch Holdings Company	Substantive related party
TCC Energy Storage Technology Corporation	Substantive related party
Trefilados Inoxidables de Mexico, S.A. DE C.V.	Substantive related party

(Continued)

Related Party Name	Related Party Category
Ferriere di Stabio SA	Substantive related party
Novametal SA	Substantive related party
Novametal do Brasil LTDA	Substantive related party
Wire Products Stainless Steel PTY Ltd	Substantive related party
T.D.V. Trefileries des Vosges SA	Substantive related party
Novametal Europe Srl	Substantive related party
Novametal USA	Substantive related party
Dongguan Novametal Wire Co., LTD	Substantive related party
	(Concluded)

Note 1: The Group acquired Hangzhou Walsin Power Cable & Wire Co., Ltd. on February 29, 2024. As a result, the Group holds 100% of the shares of Hangzhou Walsin Power Cable & Wire Co., Ltd., which has become a subsidiary of the Group. Refer to Note 15 and 32.

Note 2: All of the shares were disposed of in January 2024.

b. Sales

	For the Three Months Ended March 31	
	2024	2023
Associates	\$ 88,323	\$ 130,710
Other related parties	<u>1,265,853</u>	<u>1,322,275</u>
	<u>\$ 1,354,176</u>	<u>\$ 1,452,985</u>

c. Rental income

	For the Three Months Ended March 31	
	2024	2023
Associates	\$ 13,690	\$ 12,150
Other related parties	<u>293</u>	<u>284</u>
	<u>\$ 13,983</u>	<u>\$ 12,434</u>

d. Purchases of goods

	For the Three Months Ended March 31	
	2024	2023
Associates	\$ 17,632	\$ 4,376
Other related parties	<u>9,214</u>	<u>113,557</u>
	<u>\$ 26,846</u>	<u>\$ 117,933</u>

e. Administrative expenses

	For the Three Months Ended March 31	
	2024	2023
Associates	\$ 2,215	\$ 2,244
Other related parties	<u>2,408</u>	<u>1,996</u>
	<u>\$ 4,623</u>	<u>\$ 4,240</u>

The share registration matters of WLC and associates were handled together. The related fees allocated to the related parties were charged against general and administrative expenses.

f. Notes receivable

	March 31, 2024	December 31, 2023	March 31, 2023
Associates	<u>\$ 6,697</u>	<u>\$ 2,892</u>	<u>\$ 7,520</u>

g. Trade receivables

	March 31, 2024	December 31, 2023	March 31, 2023
Associates	\$ 754	\$ 111,941	\$ 143,333
Other related parties	<u>500,467</u>	<u>497,188</u>	<u>539,017</u>
	<u>\$ 501,221</u>	<u>\$ 609,129</u>	<u>\$ 682,350</u>

h. Notes payable

	March 31, 2024	December 31, 2023	March 31, 2023
Associates	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,317</u>

i. Trade payables

	March 31, 2024	December 31, 2023	March 31, 2023
Associates	\$ 754	\$ -	\$ -
Other related parties	<u>2,155</u>	<u>1,161</u>	<u>21,645</u>
	<u>\$ 2,909</u>	<u>\$ 1,161</u>	<u>\$ 21,645</u>

j. Other receivables (excluding financing provided)

	March 31, 2024	December 31, 2023	March 31, 2023
Associates	\$ 13,112	\$ 16,089	\$ 12,209
Other related parties	<u>1,806</u>	<u>3,698</u>	<u>1,987</u>
	<u>\$ 14,918</u>	<u>\$ 19,787</u>	<u>\$ 14,196</u>

k. Financing provided

Financing provided for related parties were as follows:

For the Three Months Ended March 31, 2024				
Related Parties	Highest Balance for the Period	Ending Balance	Interest Income	Interest Rate
Innovation West Mantewe Pte. Ltd.	<u>\$ 656,000</u>	<u>\$ 153,600</u>	<u>\$ 3,030</u>	7.91%-7.99%
Hangzhou Walsin Power Cable & Wire Co., Ltd. (Note)	<u>\$ 360,806</u>	<u>\$ -</u>	<u>\$ 2,397</u>	4.35%

Note: The Group acquired Hangzhou Walsin Power Cable & Wire Co., Ltd. on February 29, 2024. As a result, the Group holds 100% of the shares of Hangzhou Walsin Power Cable & Wire Co., Ltd., which has become a subsidiary of the Group. Refer to Note 15 and 32.

For the Year Ended December 31, 2023				
Related Parties	Highest Balance for the Period	Ending Balance	Interest Income	Interest Rate
Hangzhou Walsin Power Cable & Wire Co., Ltd.	<u>\$ 361,396</u>	<u>\$ 346,819</u>	<u>\$ 15,579</u>	4.35%
PT. Westrong Metal Industry	<u>\$ 6,458,450</u>	<u>\$ -</u>	<u>\$ 168,250</u>	7.75%-7.99%
Innovation West Mantewe Pte. Ltd.	<u>\$ 664,713</u>	<u>\$ 147,384</u>	<u>\$ 1,992</u>	7.99%

For the Three Months Ended March 31, 2023				
Related Parties	Highest Balance for the Period	Ending Balance	Interest Income	Interest Rate
Hangzhou Walsin Power Cable & Wire Co., Ltd.	<u>\$ 355,422</u>	<u>\$ 354,486</u>	<u>\$ 3,854</u>	4.35%
PT. Westrong Metal Industry	<u>\$ 2,743,200</u>	<u>\$ 2,631,185</u>	<u>\$ 42,387</u>	6.79%-7.09%

l. Guarantee deposits

	March 31, 2024	December 31, 2023	March 31, 2023
Associates	\$ 7,362	\$ 7,362	\$ 7,362
Other related parties	<u>282</u>	<u>282</u>	<u>282</u>
	<u>\$ 7,644</u>	<u>\$ 7,644</u>	<u>\$ 7,644</u>

m. Remuneration of key management personnel

The remunerations of directors and key executives were as follows:

	For the Three Months Ended March 31	
	2024	2023
Short-term employee benefits	\$ 43,767	\$ 54,750
Post-employment benefits	<u>325</u>	<u>325</u>
	<u>\$ 44,092</u>	<u>\$ 55,075</u>

The remuneration of directors and key executives, as determined by the remuneration committee, is based on the performance of individuals and market trends.

37. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collaterals for bank borrowings, tariff guarantee for imported raw material and the deposits for completing constructions and futures:

	March 31, 2024	December 31, 2023	March 31, 2023
Refundable deposits (recorded under other financial assets - current)	\$ -	\$ 2,348	\$ 51,580
Restricted deposits (recorded under other financial assets - current)	182,159	106,946	404,342
Pledged time deposits (recorded under other non-current assets - other)	1,461	1,427	1,444
Restricted deposits (recorded under other non-current assets - other)	11,275	10,838	11,078
Finance lease receivables	62,589	62,067	60,526
Long-term finance lease receivables	524,612	540,456	587,201
Refundable deposits	51,951	62,080	51,718
Trade receivables	102,346	67,382	144,203
Property, plant and equipment	<u>78,382</u>	<u>77,290</u>	<u>78,919</u>
	<u>\$ 1,014,775</u>	<u>\$ 930,834</u>	<u>\$ 1,391,011</u>

38. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group as of March 31, 2024, December 31, 2023 and March 31, 2023 were as follows:

- a. Outstanding letters of credit not reflected in the consolidated financial statements as of March 31, 2024, December 31, 2023 and March 31, 2023 were as follows (in thousands):

	March 31, 2024	December 31, 2023	March 31, 2023
U.S. dollar	US\$ 8,905	US\$ 9,130	US\$ 5,313
Japanese yen	JPY 124,605	JPY 107,111	JPY 32,673
Euro	EUR 8,710	EUR 12,626	EUR 87,116
Renminbi	RMB 2,189	RMB 2,189	RMB 2,189
New Taiwan dollar	NT\$ 47,466	NT\$ 43,944	NT\$ 35,442

- b. Outstanding standby letters of credit and bid bonds of contingent liabilities not reflected in the consolidated financial statements were as follows (in thousands):

	March 31, 2024	December 31, 2023	March 31, 2023
New Taiwan dollar	NT\$ 779,760	NT\$ 846,165	NT\$ 715,330
U.S. dollar	US\$ 30	US\$ 30	US\$ 30
Renminbi	RMB 50,670	RMB 47,586	RMB 42,611

- c. Based on tariff and relevant regulations, the Group issue tariff letters of credit to import goods and to meet the needs of post-release duty payment. The amount of tariff letters of credit were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
New Taiwan dollar	NT\$ 222,000	NT\$ 458,000	NT\$ 236,000

- d. Non-cancelable raw material procurement contracts were as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
U.S. dollar	US\$ 7,498	US\$ 27,839	US\$ 48,030
Renminbi	RMB 128,605	RMB 133,299	RMB 95,501

- e. The Group entered into a contract for the construction of new plants on the Group's own land, the purchase of machinery and equipment, and technique licensing and authorization agreements. The amount of the unrecognized commitments was as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
New Taiwan dollar	NT\$ 5,757,762	NT\$ 5,844,284	NT\$ 2,193,920
U.S. dollar	US\$ 33,842	US\$ 33,842	US\$ 71,624
Renminbi	RMB 780,991	RMB 780,991	RMB 780,991
Euro	EUR 173,285	EUR 171,579	EUR 69,747
Indonesia rupiah	IDR 86,458,884	IDR 87,029,254	IDR 89,715,855

39. OTHERS

On February 15, 2023, the president of the ROC announced the amendments to the “Climate Change Response Act”, introducing regulations for the collection of carbon fees. On December 29, 2023, the Ministry of Environmental drafted the “Regulations Governing the Collection of Carbon Fees” based on the aforementioned law. According to the draft, starting in 2024, companies belonging to the power generation and large-scale manufacturing industries, with total annual greenhouse gas emissions generated by direct emissions and indirect emissions from electricity usage at the entire facility exceeding 25,000 metric tons of carbon dioxide equivalent, shall pay carbon fees if their plants are the emission sources subject to inventory registration and inspection as announced by the Ministry of Environment. As of March 31, 2024, the Group's cumulative greenhouse gas emissions have reached 25,000 metric tons of carbon dioxide equivalent. However, due to the lack of clarity in the regulations related to the carbon fee, the Group is currently unable to reasonably estimate the impact of the carbon fee.

40. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities dominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

March 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 402,229	32.00	\$ 12,871,328
Japanese yen	1,342,710	0.2115	283,983
Euro	29,573	34.46	1,019,086
Singapore dollar	988	23.72	23,435
Hong Kong dollar	2,976	4.089	12,169
Australian dollar	562	20.82	11,701
Indonesian rupiah	2,294,972,968	0.00203	4,658,795
Renminbi	20,660	4.51008	93,178
Korean won	820,628	0.02394	19,646
Non-monetary items			
U.S. dollar	43,622	32.00	1,395,904
Euro	291	34.46	10,028
<u>Financial liabilities</u>			
Monetary items			
U.S. dollar	291,668	32.00	9,333,376
Euro	11,072	34.46	381,541
Renminbi	164,535	4.51008	742,066
Indonesia rupiah	247,912,386	0.00203	503,262

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 226,235	30.7050	\$ 6,946,546
Japanese yen	635,549	0.2172	138,041
Euro	16,337	33.98	555,131
Singapore dollars	2,675	23.2900	62,301
Renminbi	2,773	4.33524	12,022
Indonesian rupiah	1,439,843,510	0.00198	2,850,890
South Korean won	983,701	0.02391	23,520
Non-monetary items			
U.S. dollar	39,447	30.705	1,211,220
Renminbi	6,461	4.33524	28,010

Financial liabilities

Monetary items			
U.S. dollar	155,735	30.705	4,781,843
Renminbi	334,843	4.33524	1,451,625
Indonesia rupiah	257,409,522	0.00198	509,671
Non-monetary items			
U.S. dollar	1,450	30.705	44,522

March 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
U.S. dollar	\$ 728,463	30.4500	\$ 22,181,698
Japanese yen	648,382	0.2288	148,350
Euro	22,944	33.1500	760,594
Singapore dollar	4,058	22.9100	92,969
Hong Kong dollar	2,724	3.8790	10,566
Australian dollar	1,425	20.3300	28,970
Indonesian rupiah	1,605,210,264	0.00203	3,258,577
Renminbi	7,039	4.43108	31,190
Korean won	1,113,895	0.02356	26,243
Non-monetary items			
U.S. dollar	4,723	30.4500	143,815

Financial liabilities

Monetary items			
U.S. dollar	494,913	30.4500	15,070,101
Euro	598	33.1500	19,824
Renminbi	361,661	4.43108	1,602,549
Swiss Franc	17	33.2750	566
Indonesia rupiah	724,936,868	0.00203	1,471,622
Non-monetary items			
U.S. dollar	1,090	30.4500	33,191

For the three months ended March 31, 2024 and 2023, realized and unrealized net foreign exchange losses were NT\$149,821 thousand and NT\$128,896 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies in the Group.

41. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and information on investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (Table 3)
- 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (Table 4)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (None)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
- 9) Trading in derivative instrument (Notes 7 and 8)
- 10) Information on investees (Table 7)
- 11) Intercompany relationships and significant intercompany transactions (Table 9)

b. Information on investments in mainland China:

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 8)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 9):
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

- c) The amount of property transactions and the amount of the resultant gains or losses;
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes;
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds; and
 - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.
- c. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 10)

42. SEGMENT INFORMATION

a. Basic information

1) Classification

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as follows:

a) Wires and cables

The segment's main products include copper rods, wires, connector and components which are sold to industries involving cables and wires, communications cable, heavy electronics, home electrical appliances and construction.

b) Stainless steel

The segment's main products include smelting, rolled stainless steel, carbon steel and precision alloy wire which are sold to industries involving construction components, crankshaft, machine tools, plumbing, heat exchanger, drainage, petrochemical and construction.

c) Resource

The segment's main business include nickel pig iron, sales of stainless steel products as an agent in Taiwan and important metal procurement and hedging.

d) Real estate

Real estate is responsible for the development of commercial and real estate complex and real estate management. Furthermore, the modes of the operation are construction of residences, offices, markets and hotels, and the offering of rental space, operating management and after-sales services.

e) Administration and investing

The segment of administration and investing refers to other investment in mainland China.

2) Estimates of operating segment income and expenses, assets and liabilities

Accounting policies of operating segments are the same as those summarized in Note 4. Sales and transfers between segments are treated as transactions with third parties and evaluated at fair value.

The Group does not allocate income tax expense (benefit), investment income (loss) recognized under equity method, foreign exchange gain (loss), net investment income (loss), gain (loss) on disposal of investments, gain (loss) on valuation of financial assets and liabilities and extraordinary items to reportable segments. The amounts reported are consistent with the report used by chief operating decision makers.

3) Identification of operating segment

The reported segments of the Group are strategic business units, providing different products and services. They are managed separately because they use different technologies and sales strategies.

b. Financial information

1) Segment revenues and results:

	(NT\$ in Thousand)					
	Wires and Cables	Stainless Steel	Resource Business	Real Estate	Administration and Investing	Total
For the three months ended March 31, 2024						
Revenue from external customers	\$ 9,437,984	\$ 23,104,901	\$ 6,818,024	\$ 549,997	\$ 638,931	\$ 40,549,837
Segment profit (loss)	651,780	(62,362)	119,055	20,733	(242,264)	486,942
Net non-operating income (expenses)						
Net interest income (expenses)						(493,289)
Share of profit of associates accounted for using the equity method						15,310
Dividend income						508,673
Loss on disposal of property, plant and equipment						(2,364)
Gain on disposal of investments						86,306
Foreign exchange loss, net						(149,821)
Gain on financial assets and liabilities at fair value through profit or loss						129,960
Reversal of impairment loss						39
Net other income						<u>90,192</u>
Consolidated income before income tax						<u>\$ 671,948</u>
For the three months ended March 31, 2023						
Revenue from external customers	11,678,995	24,911,928	10,900,090	515,282	2,707,283	\$ 50,713,578
Segment profit (loss)	775,385	905,762	1,356,682	(24,857)	(382,225)	2,630,747
Net non-operating income (expenses)						
Net interest income (expenses)						(338,583)
Share of loss of associates accounted for using the equity method						(220,488)
Dividend income						346,657
Loss on disposal of property, plant and equipment						(3,518)
Gain on disposal of investments						531,087
Foreign exchange loss, net						(128,896)
Gain on financial assets and liabilities at fair value through profit or loss						154,240
Reversal of impairment loss						1
Net other income						<u>30,657</u>
Consolidated income before income tax						<u>\$ 3,001,904</u>

2) Segment assets and liabilities

	Wires and Cables	Stainless Steel	Resource Business	Real Estate	Administration and Investing	Total
<u>Segment assets</u>						
March 31, 2024	<u>\$ 17,658,814</u>	<u>\$ 87,571,012</u>	<u>\$ 50,269,417</u>	<u>\$ 28,171,023</u>	<u>\$ 82,005,168</u>	<u>\$ 265,675,434</u>
December 31, 2023	<u>\$ 9,198,949</u>	<u>\$ 81,818,015</u>	<u>\$ 49,013,066</u>	<u>\$ 29,197,011</u>	<u>\$ 97,142,990</u>	<u>\$ 266,370,031</u>
March 31, 2023	<u>\$ 9,452,754</u>	<u>\$ 68,767,713</u>	<u>\$ 46,311,313</u>	<u>\$ 30,137,162</u>	<u>\$ 100,604,495</u>	<u>\$ 255,273,437</u>
<u>Segment liabilities</u>						
March 31, 2024	<u>\$ 13,210,853</u>	<u>\$ 52,548,011</u>	<u>\$ 13,216,011</u>	<u>\$ 14,961,837</u>	<u>\$ 20,259,114</u>	<u>\$ 114,195,826</u>
December 31, 2023	<u>\$ 4,722,379</u>	<u>\$ 47,929,981</u>	<u>\$ 11,434,154</u>	<u>\$ 14,924,345</u>	<u>\$ 32,909,859</u>	<u>\$ 111,920,718</u>
March 31, 2023	<u>\$ 6,567,961</u>	<u>\$ 41,812,756</u>	<u>\$ 23,783,903</u>	<u>\$ 15,546,437</u>	<u>\$ 31,819,666</u>	<u>\$ 119,530,723</u>

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars and U.S. Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
0	Walsin Lihwa Corporation	Borrego Energy Holdings, LLC & Borrego Energy, LLC	Other receivables	Yes	\$ 1,600,000 (US\$ 50,000)	\$ 1,600,000 (US\$ 50,000)	\$ 912,000 (US\$ 28,500)	6.20	Operating capital	\$ -	Operating capital	\$ -	Promissory note and property	\$ 1,406,548	\$ 56,620,761	\$ 56,620,761

Notes:

1. According to the financing regulations provided by Walsin Lihwa Corporation, the total limit on the amount of financing provided to a subsidiary whose equity is 100% owned directly or indirectly by WLC cannot exceed 40% of the equity presented in the consolidated financial statements of Walsin Lihwa Corporation.

a. The limit on the amount of financing provided to a single enterprise was as follows:

Borrego Energy Holdings, LLC & Borrego Energy, LLC = \$141,551,902 × 40% = \$56,620,761.

b. The limit on the amount of financing provided was as follows:

The limit on the amount of financing provided = \$141,551,902 × 40% = \$56,620,761.
2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars.
3. The currency exchange rate as of March 31, 2024 was as follows: US\$ to NT\$ = 1: 32.

TABLE 1-1

WALSIN LIHWA HOLDINGS LIMITED AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
 FOR THE THREE MONTHS ENDED MARCH 31, 2024
 (In Thousands of New Taiwan Dollars, U.S. Dollars and Renminbi)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
1	Walsin (China) Investment Co., Ltd.	Walsin (Nanjing) Development Co., Ltd.	Other receivables	Yes	\$ 9,471,168 (RMB 2,100,000)	\$ 9,471,168 (RMB 2,100,000)	\$ 7,536,326 (RMB 1,670,996)	3.50	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 56,620,761	\$ 56,620,761
		Yantai Walsin Stainless Steel Co., Ltd.	Other receivables	Yes	16,179,366 (US\$ 320,000) (RMB 1,400,000)	11,593,024 (US\$ 320,000) (RMB 300,000)	6,496,064 (US\$ 203,002) (RMB -)	3.18-5.00	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Other receivables	Yes	2,342,016 (US\$ 45,000) (RMB 200,000)	2,342,016 (US\$ 45,000) (RMB 200,000)	1,367,584 (US\$ 42,737) (RMB -)	3.18-5.00	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		Changshu Walsin Specialty Steel Co., Ltd.	Other receivables	Yes	2,445,438 (US\$ 50,000) (RMB 200,000)	1,341,210 (US\$ 25,000) (RMB 120,000)	302,283 (US\$ 9,208) (RMB 1,691)	3.18-5.00	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		Dongguan Walsin Wire & Cable Co., Ltd.	Other receivables	Yes	1,025,504 (US\$ 25,000) (RMB 50,000)	1,025,504 (US\$ 25,000) (RMB 50,000)	512,928 (US\$ 16,029) (RMB -)	5.00	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		Jiangyin Walsin Steel Cable Co., Ltd.	Other receivables	Yes	1,414,073 (US\$ 10,000) (RMB 250,000)	676,512 (US\$ -) (RMB 150,000)	343,258 (US\$ -) (RMB 76,109)	3.18	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		Hangzhou Walsin Power Cable & Wire Co., Ltd.	Other receivables	Yes	360,806 (RMB 80,000)	360,806 (RMB 80,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Other receivables	Yes	360,806 (RMB 80,000)	360,806 (RMB 80,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	410,387 (RMB 90,993)	410,387 (RMB 90,993)
		Nanjing Taiwan Trade Mart Management Co., Ltd.	Other receivables	Yes	586,310 (RMB 130,000)	586,310 (RMB 130,000)	456,416 (RMB 101,199)	1.35	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		XiAn Walsin Metal Product Co., Ltd.	Other receivables	Yes	856,915 (RMB 190,000)	856,915 (RMB 190,000)	825,742 (RMB 183,088)	1.35	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
2	Walsin International Investments Limited	Walsin Lihwa Corporation	Other receivables	Yes	18,774,000 (US\$ 600,000)	6,400,000 (US\$ 200,000)	2,016,000 (US\$ 63,000)	5.00-5.04	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		Walsin (China) Investment Co., Ltd.	Other receivables	Yes	19,034,941 (US\$ 400,000) (RMB 1,480,000)	18,267,942 (US\$ 320,000) (RMB 1,780,000)	14,897,972 (US\$ 257,393) (RMB 1,477,000)	2.68-4.65	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
		PT. Sunny Metal Industry	Other receivables	Yes	1,251,600 (US\$ 40,000)	- (US\$ -)	- (US\$ -)	-	Operating capital	-	Operating capital	-	-	-	6,924,948 (US\$ 216,411)	6,924,948 (US\$ 216,411)
3	Dongguan Walsin Wire & Cable Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	3,303,518 (RMB 750,000)	1,353,024 (RMB 300,000)	465,779 (RMB 103,275)	1.65	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
4	Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	45,101 (RMB 10,000)	45,101 (RMB 10,000)	30,393 (RMB 6,739)	1.65	Operating capital	-	Operating capital	-	-	-	63,024 (RMB 13,974)	63,024 (RMB 13,974)
5	Hangzhou Walsin Power Cable & Wire Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	360,806 (RMB 80,000)	360,806 (RMB 80,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761

(Continued)

Notes:

1.

According to the financing regulations provided by Walsin (China) Investment Co., Ltd., Walsin International Investments Limited, Dongguan Walsin Wire & Cable Co., Ltd., Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. and Hangzhou Walsin Power Cable & Wire Co., Ltd., the total limit on the amount of the financing provided to WLC or a overseas subsidiary whose equity is 100%-owned directly or indirectly by WLC cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100%-owned, directly or indirectly by WLC, cannot exceed 40% of the parent company’s equity as presented in its the consolidated financial statements of a subsidiary. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40 % of the financing company’s equity as stated in the financing company’s latest consolidated financial statements. If it is a revolving funding, the amount for an individual loan shall not exceed 10 % of the financing company’s equity in the financing company’s latest consolidated financial statements.

a.

The limit on the amount of financing provided to a single enterprise was as follows:

Walsin (Nanjing) Development Co., Ltd., Yantai Walsin Stainless Steel Co., Ltd., Jiangyin Walsin Specialty Alloy Materials Co., Ltd., Changshu Walsin Specialty Steel Co., Ltd., Dongguan Walsin Wire & Cable Co., Ltd., Jiangyin Walsin Steel Cable Co., Ltd., Hangzhou Walsin Power Cable & Wire Co., Ltd., Nanjing Taiwan Trade Mart Management Co., Ltd., XiAn Walsin Metal Product Co., Ltd., Walsin Lihwa Corporation, Walsin (China) Investment Co., Ltd. = \$141,551,902 × 40% = \$56,620,761.
Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. = RMB909,933 × 10% = RMB90,993 (\$410,387).
PT. Sunny Metal Industry = US\$541,028 × 40% = US\$216,411 (\$6,924,948).
Walsin (China) Investment Co., Ltd = RMB139,741 × 10% = RMB13,974 (\$63,024).

b.

The limit on the amount of financing provided was as follows:

Walsin (China) Investment Co., Ltd., Walsin International Investments Limited, Dongguan Walsin Wire & Cable Co., Ltd. and Hangzhou Walsin Power Cable & Wire Co., Ltd. = \$141,551,902 × 40% = \$56,620,761.
Walsin (China) Investment Co., Ltd. = RMB909,933 × 10% = RMB90,993 (\$410,387).
Walsin International Investments Limited = US\$541,028 × 40% = US\$216,411 (\$6,924,948).
Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. = RMB139,741 × 10% = RMB13,974 (\$63,024).
2.

Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars and renminbi.
3.

The currency exchange rates as of March 31, 2024 were as follows: US\$ to NT\$ = 1:32; RMB to NT\$ = 1:4.51008; US\$ to RMB = 1: 7.095.

(Concluded)

CONCORD INDUSTRIES LIMITED AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars, and Renminbi)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
6	Yantai Walsin Stainless Steel Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	\$ 2,029,536 (RMB 450,000)	\$ 2,029,536 (RMB 450,000)	\$ 460,921 (RMB 102,198)	1.65	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 56,620,761	\$ 56,620,761
7	Changshu Walsin Specialty Steel Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	1,578,528 (RMB 350,000)	1,578,528 (RMB 350,000)	- (RMB -)	-	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761
8	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	1,623,629 (RMB 360,000)	1,623,629 (RMB 360,000)	610,489 (RMB 135,361)	1.65	Operating capital	-	Operating capital	-	-	-	56,620,761	56,620,761

Notes:

1. According to the financing regulations of Yantai Walsin Stainless Steel Co., Ltd., Changshu Walsin Specialty Steel Co., Ltd. and Jiangyin Walsin Specialty Alloy Materials Co., Ltd., the limit on the amount of financing provided to WLC or an overseas subsidiary whose equity is 100% owned directly or indirectly by WLC cannot exceed 40% of the parent company’s equity presented in the consolidated financial statements of Walsin Lihwa Corporation.

a. The limit on the amount of financing provided to a single enterprise was as follows:

Walsin (China) Investment Co., Ltd. = \$141,551,902 × 40% = \$56,620,761.

b. The limit on the amount of financing provided was as follows:

Yantai Walsin Stainless Steel Co., Ltd., Changshu Walsin Specialty Steel Co., Ltd. and Jiangyin Walsin Specialty Alloy Materials Co., Ltd. = \$141,551,902 × 40% = \$56,620,761.

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of renminbi.

3. The currency exchange rates as of March 31, 2024 were as follows: RMB to NT\$ = 1: 4.51008.
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CHIN-CHERNG CONSTRUCTION CO. AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars and Renminbi)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
9	Nanjing Walsin Property Management Co., Ltd.	Walsin (China) Investment Co., Ltd.	Other receivables	Yes	\$ 45,101 (RMB 10,000)	\$ 45,101 (RMB 10,000)	\$ 3,184 (RMB 706)	1.65	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 56,620,761	\$ 56,620,761

Notes:

1. According to the financing regulations provided by Nanjing Walsin Property Management Co., Ltd., the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100%-owned directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100%-owned, directly or indirectly by WLC, cannot exceed 40% of the parent company’s equity as presented in the parent company’s latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40 % of the parent company’s equity in the parent company’s latest consolidated financial statements.

a. The limit on the amount of financing provided to a single enterprise was as follows:

Walsin (China) Investment Co., Ltd. = \$141,551,902 × 40% = \$56,620,761.

b. The limit on the amount of financing provided was as follows:

Nanjing Walsin Property Management Co., Ltd. = \$141,551,902 × 40% = \$56,620,761.
2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of renminbi.
3. The currency exchange rates as of March 31, 2024 were as follows: RMB to NT\$ = 1:4.51008.

WALSIN INFO-ELECTRIC CORP.

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
10	Walsin Info-Electric Corporation	Walsin Lihwa Corporation	Other receivables	Yes	\$ 100,000	\$ 100,000	\$ 100,000	1.60	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 136,832	\$ 136,832

Note:

1. According to the financing regulations provided by Walsin Info-Electric Corporation, the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100%-owned directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100%-owned, directly or indirectly by WLC, cannot exceed 40% of the parent company’s equity as presented in the parent company’s latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40 % of the parent company’s equity in the parent company’s latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 10% of the parent company’s equity in the parent company’s latest consolidated financial statements.
- a. The limit on the amount of financing provided to a single enterprise was as follows:

Walsin Lihwa Corporation = \$342,081 × 40% = \$136,832.
- b. The limit on the amount of financing provided was as follows:

Walsin Info-Electric Corporation = \$342,081 × 40% = \$136,832.

TABLE 1-5

WALSIN SINGAPORE PTE. LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars and U.S. Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
11	Walsin Singapore Pte. Ltd.	PT. Sunny Metal Industry	Other receivables	Yes	\$ 10,264,000 (US\$ 320,705)	\$ 10,264,000 (US\$ 320,705)	10,142,923 (US\$ 316,966)	7.52-7.59	Operating capital	\$ -	Equipment purchase and operating capital	\$ -	-	\$ -	\$ 11,595,360 (US\$ 362,355)	\$ 11,595,360 (US\$ 362,355)
		Innovation West Mantewe Pte. Ltd.	Other receivables	Yes	656,000 (US\$ 20,500)	656,000 (US\$ 20,500)	153,600 (US\$ 4,800)	7.91-7.99	Operating capital	-	Construction of new plants and equipment purchase	-	-	-	11,595,360 (US\$ 362,355)	11,595,360 (US\$ 362,355)
12	PT. Sunny Metal Industry	PT. Walhsu Metal Industry	Other receivables	Yes	1,440,000 (US\$ 45,000)	1,440,000 (US\$ 45,000)	1,216,000 (US\$ 38,000)	7.44-7.62	Operating capital	-	Construction of new plants and equipment purchase	-	-	-	1,989,952 (US\$ 62,186)	1,989,952 (US\$ 62,186)

Notes:

1. According to the financing regulations provided by Walsin Singapore Pte. Ltd. and PT. Sunny Metal Industry, the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100% owned, directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100% owned, directly or indirectly by WLC, cannot exceed 40% of the parent company’s equity as presented in the parent company’s latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40% of the parent company’s equity in the parent company’s latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 10% of the parent company’s equity in the parent company’s latest consolidated financial statements.

a. The limit on the amount of financing provided to a single enterprise was as follows:

PT. Sunny Metal Industry, Innovation West Mantewe Pte. Ltd. = US\$905,887 × 40% = US\$362,355 (\$11,595,360).
PT. Sunny Metal Industry = US\$155,465 × 40% = US\$62,186 (\$1,989,952).

b. The limit on the amount of financing provided was as follows:

Walsin Singapore Pte. Ltd. = US\$905,887 × 40% = US\$362,355 (\$11,595,360).
PT. Sunny Metal Industry = US\$62,186 (\$1,989,952).

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars.

3. The currency exchange rates as of March 31, 2024 was as follows: US\$ to NT\$ = 1:32.
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PT. WALSIN NICKEL INDUSTRIAL INDONESIA

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars and U.S. Dollars)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
13	PT. Walsin Nickel Industrial Indonesia	Walsin Lihwa Corporation	Other receivables	Yes	\$ 1,920,000 (US\$ 60,000)	\$ 1,920,000 (US\$ 60,000)	640,000 (US\$ 20,000)	5.83	Operating capital	\$ -	Operating capital	\$ -	-	\$ -	\$ 4,481,312 (US\$ 140,041)	\$ 4,481,312 (US\$ 140,041)
		Walsin Singapore Pte. Ltd.	Other receivables	Yes	1,280,000 (US\$ 40,000)	1,280,000 (US\$ 40,000)	1,280,000 (US\$ 40,000)	5.82	Operating capital	-	Operating capital	-	-	-	4,481,312 (US\$ 140,041)	4,481,312 (US\$ 140,041)

Notes:

1.

According to the financing regulations provided by PT. Walsin Nickel Industrial Indonesia, the total limit on the amount of the financing provided to WLC or a oversea subsidiary whose equity is 100% owned, directly or indirectly by WLC, cannot exceed 40% of the equity of the parent company as presented in the consolidated financial statements of Walsin Lihwa Corporation. The limit on the amount of financing provided to a subsidiary whose equity is less than 100% owned, directly or indirectly by WLC, cannot exceed 40% of the parent company’s equity as presented in the parent company’s latest consolidated financial statements. If the financing is a one-time funding, the amount for an individual loan shall not exceed 40% of the parent company’s equity in the parent company’s latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 10% of the parent company’s equity in the parent company’s latest consolidated financial statements.
- a.

The limit on the amount of financing provided to a single enterprise was as follows:

Walsin Lihwa Corporation, Walsin Singapore Pte. Ltd. = US\$350,102 × 40% = US\$140,041 (\$4,481,312).
- b.

The limit on the amount of financing provided was as follows:

PT. Walsin Nickel Industrial Indonesia = US\$350,102 × 40% = US\$140,041 (\$4,481,312).
2.

Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars.
3.

The currency exchange rates as of March 31, 2024 was as follows: US\$ to NT\$ = 1:32.

COGNE ACCIAI SPECIALI S.P.A.

FINANCING PROVIDED TO OTHERS
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars and Pound)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 1)	Aggregate Financing Limit (Note 1)
													Item	Value		
14	Cogne Acciai Speciali S.p.A.	Special Melted Products Limited	Other receivables	Yes	\$ 299,694 (GBP 7,240)	\$ 299,694 (GBP 7,240)	248,479 (GBP 6,152)	4.93	Operating capital	\$ -	Equipment purchase and operating capital	\$ -	-	\$ -	\$ 3,759,069 (GBP 93,070)	\$ 3,759,069 (GBP 93,070)

Notes:

1. According to the financing regulations provided by Cogne Acciai Speciali S.p.A., the total limit on the amount of the financing provided to subsidiary whose equity is 50% owned, directly or indirectly by its parent company, cannot exceed 20% of the parent company’s equity as presented in the latest consolidated financial statements. If it is a revolving fund, the amount for an individual loan shall not exceed 5% of the parent company’s equity as presented in the latest consolidated financial statements. The total limit on the amount of the financing provided to a overseas subsidiary whose equity is 100%-owned, directly or indirectly by its parent company, cannot exceed 20% of the parent company’s equity as presented in the latest consolidated financial statements.

a. The limit on the amount of financing provided to a single enterprise was as follows:

Special Melted Products Limited = $\text{GBP}465,348 \times 20\% = \text{GBP}93,070$ (\$3,759,069).

b. The limit on the amount of financing provided was as follows:

Cogne Acciai Speciali S.p.A. = $\text{GBP}465,348 \times 20\% = \text{GBP}93,070$ (\$3,759,069).

2. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of GBP.

3. The currency exchange rates as of March 31, 2024 was as follows: GBP to NT\$ = 1:40.39.
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TABLE 2

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars and Renminbi)

No. (Note 1)	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Each Guaranteed Party's Endorsement/ Guarantee Amounts (Note 3)	Highest Balance for the Period	Ending Balance (Note 4)	Actual Amount Borrowed	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statement (%)	Maximum Collateral/ Guarantee Amounts Allowable (Note 3)	Guaranteed Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of Relationship (Note 2)										
0	Walsin Lihwa Corporation	Yantai Walsin Stainless Steel Co., Ltd.	b	\$ 5,556,362 (RMB 1,231,988)	\$ 4,059,072 (RMB 900,000)	\$ 4,059,072 (RMB 900,000)	\$ 782,881 (RMB 173,585)	\$ -	2.87	\$ 141,551,902	Yes	No	Yes
		Walsin Energy Cable System Co., Ltd.	b	6,644,722	4,500,000	4,500,000	-	-	3.18	141,551,902	Yes	No	No

Notes:

1. The information on Walsin Lihwa Corporation and its subsidiaries is listed and labeled on the entitled “No.” column.

a. “0” represents Walsin Lihwa Corporation.
b. Subsidiaries are numbered consecutively starting from 1.
2. The relationship between Walsin Lihwa Corporation and the endorsed/guaranteed entities can be classified into the following categories.

a. A company with which Walsin Lihwa Corporation does business.
b. A company in which Walsin Lihwa Corporation directly and indirectly holds more than 50% of the voting shares.
c. A company that directly and indirectly holds more than 50% of the voting shares in Walsin Lihwa Corporation.
d. A company in which Walsin Lihwa Corporation directly or indirectly holds 90% or more of the voting shares.
e. A company that fulfills Walsin Lihwa Corporation’s contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
f. A company in which all capital contributing shareholders make endorsements/guarantees for it and Walsin Lihwa Corporation’s joint-investment company in proportion to their shareholding percentages.
g. A company in the same industry as Walsin Lihwa Corporation whereby either provides among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.
3. According to the endorsements/guarantees provided and financing regulations provided by Walsin Lihwa Corporation, the total limit on the amount of endorsements/guarantees cannot exceed 100% of the equity of Walsin Lihwa Corporation’s current financial statements (including the consolidated financial statements). The limit on the amount of endorsements/guarantees provided and financing provided to a single enterprise cannot exceed the equity of the guaranteed company. The limit on the amount of guarantees provided to an investee in which over 66.67% of the common shares are held cannot exceed the amount which is 250% of the net value multiplied by the equity percentage of the guarantee provider; however, the limits mentioned above are not applicable to Walsin Lihwa Corporation’s wholly-owned holding companies incorporated in duty-free areas overseas.

a. The limit on the amount of endorsements/guarantees provided was as follows:

NT\$141,551,902 × 100% = NT\$141,551,902.

b. The limit on the amount of endorsements/guarantees provided to a single entity was as follows:

Yantai Walsin Stainless Steel Co., Ltd.: RMB492,795 × 250% × 100% = RMB1,231,988 (\$5,556,362).
Walsin Energy Cable System Co., Ltd.: \$2,923,784 × 250% × 90% = \$6,578,514.
4. The currency exchange rates as of March 31, 2024 were as follows: RMB to NT\$ = 1:4.51008.

COGNE ACCIAI SPECIALI S.P.A. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars, Euro and SEK)

No. (Note 1)	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Each Guaranteed Party's Endorsement/ Guarantee Amounts (Note 3)	Highest Balance for the Period	Ending Balance (Note 4)	Actual Amount Borrowed	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statement (%)	Maximum Collateral/ Guarantee Amounts Allowable (Note 3)	Guaranteed Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China
		Name	Nature of Relationship (Note 2)										
1	Cogne Acciai Speciali S.p.A.	Degerfors Long Products AB	b	\$ 1,606,353 (EUR 46,615)	\$ 612,000 (SEK 200,000)	\$ 598,000 (SEK 200,000)	\$ 10,559 (SEK 3,531)	\$ -	3.18	\$ 3,759,069 (SEK 109,085)	Yes	No	No

Notes:

1. The information on Cogne Acciai Speciali S.p.A. and its subsidiaries is listed and labeled on the entitled “No.” column.

a. “0” represents Cogne Acciai Speciali S.p.A.
b. Subsidiaries are numbered consecutively starting from 1.
2. The relationship between Cogne Acciai Speciali S.p.A. and the endorsed/guaranteed entities can be classified into the following categories.

a. A company with which Cogne Acciai Speciali S.p.A. does business.
b. A company in which Cogne Acciai Speciali S.p.A. directly and indirectly holds more than 50% of the voting shares.
c. A company that directly and indirectly holds more than 50% of the voting shares in Cogne Acciai Speciali S.p.A.
d. A company in which Cogne Acciai Speciali S.p.A. directly or indirectly holds 90% or more of the voting shares.
e. A company that fulfills Cogne Acciai Speciali S.p.A.’s contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
f. A company in which all capital contributing shareholders make endorsements/guarantees for it and Cogne Acciai Speciali S.p.A.’s joint-investment company in proportion to their shareholding percentages.
g. A company in the same industry as Cogne Acciai Speciali S.p.A. whereby either provides among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.
3. According to the endorsements/guarantees provided and financing regulations provided by Cogne Acciai Speciali S.p.A., the total limit on the amount of endorsements/guarantees cannot exceed 20% of the equity of Cogne Acciai Speciali S.p.A.’s current financial statements (including the consolidated financial statements). The limit on the amount of endorsements/guarantees provided and financing provided to a single enterprise cannot exceed the equity of the guaranteed company. The amount which is 125% of the net value multiplied by the equity percentage of the guarantee provider.

a. The limit on the amount of endorsements/guarantees provided was as follows:

EUR545,427 × 20% = EUR109,085 (\$3,759,069).

b. The limit on the amount of endorsements/guarantees provided to a single entity was as follows:

Degerfors Long Products AB: EUR37,292 × 125% × 100% = EUR46,615 (\$1,606,353).
4. The currency exchange rates as of March 31, 2024 were as follows: EUR to NT\$ = 1:34.46; SEK to NT\$ = 1:2.99.

TABLE 3

WALSIN LIHWA CORPORATION

MARKETABLE SECURITIES HELD
MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Walsin Lihwa Corporation	<u>Share</u> HannStar Display Corp.	The holding company is a director of the issuer company	Financial assets at fair value through other comprehensive income - non-current	299,632,180	\$ 3,176,101	10.19	\$ 3,176,101	
	HannStar Board Corp.	The chairman of the holding company and the chairman of the company are second-class relatives	Financial assets at fair value through other comprehensive income - non-current	63,753,952	3,876,240	12.06	3,876,240	
	TECO Electric & Machinery Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	231,104,730	12,918,754	10.81	12,918,754	
	Kuang Tai Metal Industrial Co., Ltd.	The holding company is a director of the issuer company	Financial assets at fair value through other comprehensive income - non-current	9,631,802	282,189	9.39	282,189	
	Global Investment Holdings	The holding company is a director of the issuer company	Financial assets at fair value through other comprehensive income - non-current	5,221,228	63,476	2.97	63,476	
	Universal Venture Capital Investment	-	Financial assets at fair value through other comprehensive income - non-current	1,400,000	16,384	1.16	16,384	
	Hwa Bao Botanic Conservation Corp.	The holding company is a supervisor of the issuer company	Financial assets at fair value through other comprehensive income - non-current	27,000,000	282,163	15.00	282,163	
	Tung Mung Development Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	14,285,000	103,747	3.43	103,747	

TABLE 3-1

CONCORD INDUSTRIES CONSTRUCTION CO. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
MARCH 31, 2024
(In Thousands of Renminbi)

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship of Issuer to the Holding Company	Financial Statement Account	March 31, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
XiAn Walsin Metal Product Co., Ltd.	<u>Certification of capital verification</u> Shaanxi Tianhong Silicon Industrial Corporation	-	Financial assets at fair value through other comprehensive income - non-current	N/A	\$ -	19.00	\$ -	
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	<u>Certification of capital verification</u> Shaanxi Electronic Group Optoelectronics Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	N/A	12,012	6.02	12,012	

CHIN-CHERNG CONSTRUCTION CO. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship of Issuer to the Holding Company	Financial Statement Account	March 31, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Chin-Cherng Construction Co.	<u>Share</u> Gsharp Corporation	-	Financial assets at fair value through other comprehensive income - non-current	270,000	\$ -	2.73	\$ -	

WALSIN INFO-ELECTRIC CORP.

MARKETABLE SECURITIES HELD
MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship of Issuer to the Holding Company	Financial Statement Account	March 31, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Walsin Info-Electric Corp.	<u>Share</u> WTI Co.	-	Financial assets at fair value through other comprehensive income - non-current	228,000	\$ 1,970	5.43	\$ 1,970	
	Ufi Space Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	359,549	25,788	1.03	25,788	
	InSynerger Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income - non-current	750,000	33,767	6.60	33,767	
	K.S. Terminals Inc.	-	Financial assets at fair value through other comprehensive income - non-current	145,000	10,208	0.09	10,208	
	Landing AI	-	Financial assets at fair value through other comprehensive income - non-current	265,583	29,100	0.59	29,100	

PT. WAL SIN LIPPO INDUSTRIES

MARKETABLE SECURITIES HELD
MARCH 31, 2024
(In Thousands of U.S. Dollars)

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship of Issuer to the Holding Company	Financial Statement Account	March 31, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Pt. Walsin Lippo Industries	<u>Government bonds</u> Indonesia Government Bonds	-	Financial assets at amortized cost - non-current	-	\$ 3,982	N/A	\$ 3,956	

TABLE 3-5

COGNE ACCIAI SPECIALI S.P.A.

MARKETABLE SECURITIES HELD
MARCH 31, 2024
(In Thousands of Euro)

Holding Company Name	Type and Name of Issuer of Marketable Securities	Relationship of Issuer to the Holding Company	Financial Statement Account	March 31, 2024				Note
				Number of Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Cogne Acciai Speciali S.p.A.	<u>Share</u> Geo Storage	-	Financial assets at fair value through profit or loss - non-current	N/A	\$ 2	-	\$ 2	
	Metal Interconnector	-	Financial assets at fair value through profit or loss - non-current	2,114,787	2,241	1.64	2,241	

TABLE 4

WALSIN LIHWA HOLDINGS CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of Renminbi)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Purpose of Transaction/Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Dongguan Walsin Wire & Cable Co., Ltd.	Share Hangzhou Walsin Power Cable & Wire Co., Ltd.	Investments accounted for using the equity method	Hangzhou Futong Group Co., Ltd.	-	-	\$ -	-	\$ 301,438 (Note)	-	\$ -	\$ -	\$ -	-	\$ 301,438 (Note)

Note: The amount included the purchase amount and recognition of investment gains or losses.

TABLE 4-1

WALSIN SINGAPORE PTE. LTD. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of U.S. Dollars)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Purpose of Transaction/ Counterparty	Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Number of Shares	Amount
Walsin Singapore Pte. Ltd.	Share													
	PT. Westrong Metal Industry	Investments accounted for using the equity method	PT. Harum Nickel Industry	-	590,000	\$ 145,850	-	\$ -	590,000	\$ 146,000	\$ 146,007 (Note 1)	\$ (7) (Note 2)	-	\$ -
	Berg Holding Limited	Investments accounted for using the equity method	Indigo International Investment Limited	-	-	-	29,512,500	117,558 (Note 3)	-	-	-	-	29,512,500	117,558 (Note 3)

Note 1: The amount included the disposal of related direct costs.

Note 2: It is recorded under changes in capital surplus from investments in associates accounted for using the equity method.

Note 3: The amount included the purchase amount, recognized investment gain or loss and changes in other equity.

TABLE 5

WALSIN LIHWA CORPORATION

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Walsin Lihwa Corporation	Kuang Tai Metal Industrial Co., Ltd.	Director of the related party	Sale	\$ (390,644)	(2)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	\$ 48,870	2	
	Walsin Singapore Pte. Ltd.	100% indirectly owned subsidiary	Purchase	5,292,727	28	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	(677,381)	(18)	

TABLE 5-1

CONCORD INDUSTRIES LIMITED AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of Renminbi and U.S. Dollars)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Yantai Walsin Stainless Steel Co., Ltd.	Changshu Walsin Specialty Steel Co., Ltd.	Both subsidiaries of Concord Industries Limited	Sale	RMB (53,110)	(6)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB 38,234	9	
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Both subsidiaries of Concord Industries Limited	Sale	RMB (56,843)	(7)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB 29,417	7	
	Walsin Singapore Pte. Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Purchase	US\$ 17,448	12	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US\$ (16,522)	(22)	
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Yantai Walsin Stainless Steel Co., Ltd.	Both subsidiaries of Concord Industries Limited	Purchase	RMB 56,843	65	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB (29,417)	(21)	
Changshu Walsin Specialty Steel Co., Ltd.	Yantai Walsin Stainless Steel Co., Ltd.	Both subsidiaries of Concord Industries Limited	Purchase	RMB 53,110	40	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	RMB (38,234)	(21)	

TABLE 5-2

WALSIN SINGAPORE PTE. LTD.

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars and U.S. Dollars)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Walsin Singapore Pte. Ltd.	Walsin Lihwa Corporation	Parent company	Sale	\$ (5,292,727)	(91)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	\$ 677,381	56	
	Yantai Walsin Stainless Steel Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Sale	US\$ (17,448)	(9)	The payment terms are set by quotations on the local market, and the transaction terms are similar to those of general customers.	Normal	Normal	US\$ 16,522	44	

WALSIN LIHWA CORPORATION

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Walsin Lihwa Corporation	Walsin Singapore Pte. Ltd.	100% directly owned subsidiary	Other receivables \$ 359,779	-	\$ -	-	\$ -	\$ -
	Walsin Lihwa Holdings Limited	100% directly owned subsidiary	Other receivables 186,326	-	-	-	-	-
	Borrego Energy Holdings, LLC	100% indirectly owned subsidiary	Other receivables 243,832	-	-	-	-	-
	Borrego Energy, LLC	100% indirectly owned subsidiary	Other receivables 686,725	-	-	-	-	-
	PT. Walsin Nickel Industrial Indonesia	92% directly owned subsidiary	Other receivables 2,016,000	-	-	-	-	-

TABLE 6-1

WALSIN LIHWA HOLDINGS LIMITED AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2024
(In Thousands of Renminbi and U.S. Dollars)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Walsin Lihwa Holdings Limited	Walsin (China) Investment Co., Ltd.	100% owned subsidiary	Other receivables RMB 230,706	-	\$ -	-	\$ -	\$ -
	Walsin International Investments Limited	100% owned subsidiary	Other receivables US\$ 4,500	-	-	-	-	-
Walsin (China) Investment Co., Ltd.	Yantai Walsin Stainless Steel Co., Ltd.	Both subsidiaries of Walsin Lihwa Corporation	Other receivables US\$ 86,495 RMB 831,776	-	-	-	-	-
	Changshu Walsin Specialty Steel Co., Ltd.	Both subsidiaries of Walsin Lihwa Corporation	Other receivables US\$ 9,262 RMB 1,691	-	-	-	-	-
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Both subsidiaries of Walsin Lihwa Corporation	Other receivables US\$ 42,959	-	-	-	-	-
	Jiangyin Walsin Steel Cable Co., Ltd.	100% owned subsidiary	Other receivables RMB 76,323	-	-	-	-	-
	Walsin (Nanjing) Development Co., Ltd.	Both subsidiaries of Walsin Lihwa Corporation	Other receivables RMB 1,676,048	-	-	-	-	-
	XiAn Walsin Metal Product Co., Ltd.	Both subsidiaries of Walsin Lihwa Corporation	Other receivables RMB 183,300	-	-	-	-	-
	Nanjing Taiwan Trade Mart Management Co., Ltd.	Both subsidiaries of Walsin Lihwa Corporation	Other receivables RMB 101,316	-	-	-	-	-
	Dongguan Walsin Wire & Cable Co., Ltd.	100% owned subsidiary	Other receivables US\$ 16,098	-	-	-	-	-
Walsin International Investments Limited	Walsin Lihwa Corporation	Parent company	Other receivables US\$ 63,053	-	-	-	-	-
	Walsin (China) Investment Co., Ltd.	Both subsidiaries of Walsin Lihwa Corporation	Other receivables US\$ 144,623 RMB 2,336,024	-	-	-	-	-
Dongguan Walsin Wire & Cable Co., Ltd.	Walsin (China) Investment Co., Ltd.	Parent company	Other receivables RMB 103,421	-	-	-	-	-

Note: Amounts are stated in thousands of renminbi, except those stated in thousands of U.S. dollars.

TABLE 6-2

CONCORD INDUSTRIES LIMITED AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2024
(In Thousands of Renminbi)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Yantai Walsin Stainless Steel Co., Ltd.	Changshu Walsin Specialty Steel Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Trade receivables \$ 38,234	6.38	\$ -	-	\$ -	\$ -
	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Both are subsidiaries of Concord Industries Limited	Trade receivables 29,417	8.18	-	-	27,569	-
	Walsin (China) Investment Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 102,439	-	-	-	-	-
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Walsin (China) Investment Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 135,821	-	-	-	-	-

WALSIN SINGAPORE PTE. LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2024
(In Thousands of U.S. Dollars)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Walsin Singapore Pte. Ltd.	Walsin Lihwa Corporation Yantai Walsin Stainless Steel Co., Ltd.	Parent company	Trade receivables \$ 21,168	2.44	\$ -	-	\$ 21,168	\$ -
		Both are subsidiaries of Walsin Lihwa Corporation	Trade receivables 16,522	4.33	-	-	9,696	-
	PT. Sunny Metal Industry Innovation West Mantewe Pte. Ltd PT. Walsin Nickel Industrial Indonesia	50.1% owned subsidiary	Other receivables 320,973	-	-	-	-	-
		Affiliate enterprise of parent company	Other receivables 4,960	-	-	-	-	-
		Both are subsidiaries of Walsin Lihwa Corporation	Other receivables 58,800	-	-	-	-	-
PT. Sunny Metal Industry	PT. Walhsu Metal Industry	99.9% owned subsidiary	Other receivables 40,107	-	-	-	-	-

PT. WAL SIN NICKEL INDUSTRIAI INDONESIA

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2024
(In Thousands of U.S. Dollars)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
PT. Walsin Nickel Industrial Indonesia	Walsin Lihwa Corporation Walsin Singapore Pte. Ltd.	Parent company Both are subsidiaries of Walsin Lihwa Corporation	Other receivables \$ 20,099	-	\$ -	-	\$ -	\$ -
			Other receivables 40,239	-	-	-	-	-

TABLE 6-5

WALSIN INFO-ELECTRIC CORP.

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2024
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Walsin Info-Electric Corp.	Walsin Lihwa Corporation	Parent company	Other receivables \$ 100,482	-	\$ -	-	\$ -	\$ -

COGNE ACCIAI SPECIALI S.P.A

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2024
(In Thousands of Euro and GBP)

Company Name	Related Party	Relationship	Financial Statement Account and Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Cogne Acciai Speciali S.p.a.	Yantai Walsin Stainless Steel Co., Ltd.	Both are subsidiaries of Walsin Lihwa Corporation	Trade receivables EUR 10,901	2	\$ -	-	\$ 3,282	\$ -
	Special Melted Products Limited	Parent to subsidiary	Other receivables GBP 6,152	-	-	-	-	-

TABLE 7

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES OVER WHICH THE GROUP EXERCISES SIGNIFICANT INFLUENCE
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars, U.S. Dollars, Euro and Hong Kong dollars)

Information of investees that Walsin Lihwa Corporation has controlling power or significant influence was as follows:

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2024			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				March 31, 2024	December 31, 2023	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Walsin Lihwa Corporation	Walsin Lihwa Holdings Limited	British Virgin Islands	Investments holding	\$ 103,222	\$ 103,022	2,730,393	100.00	\$ 21,473,108	\$ 63,767	\$ 63,723	
	Concord Industries Limited	British Virgin Islands	Investments holding	13,274,435	13,274,435	297,498,375	100.00	3,355,770	(394,161)	(394,161)	
	Ace Result Global Limited	British Virgin Islands	Investments holding	1,587,416	1,587,416	44,739,988	100.00	411,877	14,168	14,168	
	Min Maw Precision Industry Corp.	Taiwan	Solar power systems management, design, and installation	180,368	180,368	37,058,059	100.00	417,588	4,474	7,735	
	Waltuo Green Resources Corporation	Taiwan	Waste disposal, resource recovery and cement products	10,000	10,000	1,828,287	100.00	5,780	(3,471)	(3,471)	
	Chin-Cherng Construction Co.	Taiwan	Investment in the construction of residential, sale of commercial buildings, rental design and interior decoration business	135,412	135,412	529,955,805	99.22	5,564,699	(60,573)	(60,116)	
	Walsin Info-Electric Corp.	Taiwan	Mechanical and electrical, communications, and power systems	270,034	270,034	29,854,246	99.51	340,405	523	520	
	PT. Walsin Lippo Industries	Indonesia	Steel wires	481,663	481,663	10,500	70.00	1,012,663	34,989	24,493	
	PT. Walsin Lippo Kabel	Indonesia	Production and sale of cables and wires	12,004	12,004	2,999,500	70.00	11,667	(572)	(401)	
	Joint Success Enterprises Limited	British Virgin Islands	Investments holding	689,979	689,979	21,344,562	49.05	4,343,089	(130,864)	(64,189)	
	Chin-Xin Investment Co., Ltd.	Taiwan	Investments	2,237,969	2,237,969	179,468,270	37.00	8,011,527	(12,029)	(4,451)	
	Tsai Yi Corporation	Taiwan	Management and investments holding	457,610	457,610	49,831,505	33.97	1,018,870	(20,686)	(7,318)	
	Concord II Venture Capital Co., Ltd.	Taiwan	Venture capital and consulting affairs	257,860	257,860	26,670,699	26.67	166,074	(3,401)	(907)	
	Winbond Electronics Corp.	Taiwan	Research, development, production and sale of semiconductors and related components	8,211,615	8,211,615	919,380,016	21.99	20,042,062	(464,347)	(102,110)	
	Walton Advanced Engineering, Inc.	Taiwan	Production, sale, and testing of semiconductors	1,185,854	1,185,854	109,628,376	21.17	2,244,845	153,914	37,386	
	Walsin Technology Corp.	Taiwan	Production and sale of ceramic capacitors	1,649,039	1,649,039	88,902,325	18.30	8,928,437	617,444	50,626	
	PT. Walsin Nickel Industrial Indonesia	Indonesia	Production and sale of nickel pig iron	1,509,171	1,509,171	500,000	50.00	5,404,167	103,315	58,925	
	Walsin Precision Technology Corp.	Malaysia	Production and sale of stainless steel plates	434,994	434,994	32,178,385	100.00	567,457	8,071	8,071	
	Walsin Singapore Pte. Ltd.	Singapore	Investments holding	26,357,910	26,357,910	733,000,000	100.00	31,637,981	(100,394)	(198,787)	
	Walsin Energy Cable System Co., Ltd.	Taiwan	Submarine communication cables	2,700,000	2,700,000	270,000,000	90.00	2,630,745	(40,221)	(36,432)	
	Walsin Lihwa Europe S.a r.l.	Luxembourg	Investments holding	11,560,560	11,560,560	12,000	100.00	9,882,912	89,713	89,713	
	PT. Walsin Research Innovation Indonesia	Indonesia	Consulting and management	43,669	43,669	13,930	99.50	35,567	(1,670)	(1,661)	
	Walsin America, LLC	USA	Investments	196,654	196,654	N/A	100.00	(394,647)	(4,761)	(4,761)	
	PT. CNGR Walsin New Energy and Technology Indonesia	Indonesia	Investments holding	300,000	300,000	140,651	29.17	282,341	(2,754)	(803)	
	Innovation West Mantewe Pte. Ltd.	Singapore	Investments holding	2,452,575	2,452,575	40	40.00	2,468,768	19,908	8,277	
	PT CNGR Walsin New Mining Industry Investment Indonesia	Indonesia	Investments holding	46,929	46,929	22,257	29.17	43,644	(10,418)	(2,608)	
Walsin Lihwa Holding Limited	Walsin International Investments Limited	Hong Kong	Investments	HK\$ 3,802,165	HK\$ 3,802,165	3,802,164,702	100.00	17,312,366	144,787	144,787	
	Walcom Chemicals Industrial Limited	Hong Kong	Commerce	US\$ 0.030	US\$ 0.030	325,000	65.00	0.861	-	-	
Walsin America, LLC	Borrego Energy Holdings, LLC	USA	Investments	US\$ 38,147	US\$ 38,147	N/A	72.55	(400,660)	(5,933)	(4,305)	
Borrego Energy Holdings, LLC	Borrego Energy, LLC	USA	Grid-connected solar electric systems	US\$ 52,576	US\$ 52,576	N/A	100.00	(552,254)	(5,933)	(5,933)	
	Cleanleaf Energy Holdings, Inc	USA	Investments	US\$ 7,500	US\$ -	1,266,000	100.00	187,356	(48,504)	(48,504)	
Concord Industries Limited	Walsin Specialty Steel Corp.	British Virgin Islands	Commerce and investments	US\$ 82,893	US\$ 82,893	82,893,195	100.00	1,495,876	94,941	94,941	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2024			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note
				March 31, 2024	December 31, 2023	Number of Shares	Percentage of Ownership (%)	Carrying Amount			
Chin-Cherng Construction Co.	Joint Success Enterprises Limited Dingshin Development Co., Ltd. Concord II Venture Capital Co., Ltd. Chin-Xin Investment Co., Ltd.	British Virgin Islands Taiwan Taiwan Taiwan	Investments	\$ 725,493	\$ 725,493	22,175,438	50.95	\$ 4,448,959	\$ (130,864)	\$ (66,675)	
			Investment of real estate and related business	8,540	8,540	2,119,200	35.32	39,440	5,333	1,883	
			Venture capital and consulting affairs	1,603	1,603	172,342	0.17	1,073	(3,401)	(24)	
			Investments	54,154	54,154	3,264,092	0.67	146,983	(12,029)	(81)	
Walsin Singapore Pte. Ltd.	PT. Walsin Nickel Industrial Indonesia PT. Sunny Metal Industry PT. Westrong Metal Industry	Indonesia Indonesia Indonesia	Production and sale of nickel pig iron	US\$ 42,000	US\$ 42,000	420,000	42.00	4,705,376	103,315	43,392	
			Manufacture and sale of nickel matte	US\$ 200,000	US\$ 200,000	50,100	50.10	6,548,736	(38,377)	(124,316)	
			Manufacture and sale of nickel matte	US\$ - (Note 1)	US\$ 146,000	-	-	-	11,731	3,461	
	Berg Holding Limited	Hong Kong	Investments holding	US\$ 118,644	US\$ -	29,512,500	75.00	3,761,859	(15,101)	4,623	
Walsin Lihwa Europe S.a r.l.	MEG S.A.	Luxembourg	Investments holding	EUR 347,216	EUR 347,216	8,277	90.21	11,781,690	130,380	117,615	
MEG S.A.	Cogne Acciai Speciali S.p.A.	Italy	Production and sale of stainless steel	EUR 155,988	EUR 155,988	314,705,934	77.60	14,536,142	168,156	130,489	
PT. Sunny Metal Industry	PT. Walhsu Metal Industry	Indonesia	Manufacture and sale of nickel matte	US\$ 18,581	US\$ 9,491	18,581,400	99.90	532,640	4,636	(18.155)	
PT. Walsin Nickel Industrial Indonesia	PT. Walhsu Metal Industry	Indonesia	Manufacture and sale of nickel matte	US\$ 18	US\$ 9	18,600	0.10	608	4,636	4	
Min Maw Precision Industry Corp.	PT. Walsin Research Innovation Indonesia	Indonesia	Consulting and management	224	224	70	0.50	178	(1,670)	(9)	
Berg Holding Limited	PT. Sunny Metal Industry	Indonesia	Manufacture and sale of nickel matte	US\$ 59,443	US\$ -	39,350	39.35	1,957,600	(38,377)	(15,101)	

Note 1: Walsin Singapore Pte. Ltd. disposed of all of the shares of PT. Westrong Metal Industry in January 2024.

Note 2: Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars, euro and Hong Kong dollars.

(Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars, U.S. Dollars, Renminbi and Euro)

1. The names of investee companies in mainland China, their main businesses and products, total amount of paid-in capital, investment type, investment flows, percentage of ownership in investment, investment gain or loss, carrying amount, accumulated inward remittance of earnings and upper limit on investment in mainland China were as follows:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2024	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 17)	Carrying Amount as of March 31, 2024	Accumulated Repatriation of Investment Income as of March 31, 2024
					Outward	Inward						
Jiangyin Walsin Steel Cable Co., Ltd.	Manufacture and sale of steel cables and wires	\$ 640,000 (US\$ 20,000)	b	\$ 833,312 (US\$ 26,041) (Note 2)	\$ - -	\$ - -	\$ 833,312 (US\$ 26,041) (Note 2)	\$ (26,365)	100.00	\$ (26,365)	\$ 730,773	\$ -
Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd.	Manufacture and sale of cables and wires	500,064 (US\$ 15,627)	b	478,592 (US\$ 14,956) (Note 3)	- -	- -	478,592 (US\$ 14,956) (Note 3)	(6,798)	95.71	(6,506)	603,205	-
Hangzhou Walsin Power Cable & Wire Co., Ltd.	Manufacture and sale of cables and wires	5,698,560 (US\$ 178,080)	b	2,700,160 (US\$ 84,380) (Note 4)	- -	- -	2,700,160 (US\$ 84,380) (Note 4)	62,469	100.00	22,246	2,137,377	-
Walsin (China) Investment Co., Ltd.	Investments	2,515,200 (US\$ 78,600)	b	2,515,200 (US\$ 78,600) (Note 5)	- -	- -	2,515,200 (US\$ 78,600) (Note 5)	(79,196)	100.00	(79,196)	4,103,871	-
Changshu Walsin Specialty Steel Co., Ltd.	Manufacture and sale of specialized steel tubes	3,104,000 (US\$ 97,000)	b	3,104,000 (US\$ 97,000) (Note 6)	- -	- -	3,104,000 (US\$ 97,000) (Note 6)	94,927	100.00	94,927	1,449,323	-
Dongguan Walsin Wire & Cable Co., Ltd.	Manufacture and sale of bare copper cables and wires	832,000 (US\$ 26,000)	b	832,000 (US\$ 26,000) (Note 7)	- -	- -	832,000 (US\$ 26,000) (Note 7)	(7,055)	100.00	(7,055)	1,476,956	-
Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Manufacture and sale of cold-rolled stainless steel and flat rolled products	1,568,000 (US\$ 49,000)	b	1,568,000 (US\$ 49,000) (Note 8)	- -	- -	1,568,000 (US\$ 49,000) (Note 8)	(175,217)	100.00	(175,217)	1,020,288	-
XiAn Walsin Metal Product Co., Ltd. (Note 11)	Manufacture and sale of specialized stainless steel plates	1,771,200 (US\$ 55,350)	b	964,800 (US\$ 30,150)	- -	- -	964,800 (US\$ 30,150)	(42,592)	100.00	(42,592)	(920,607)	-
Yantai Walsin Stainless Steel Co., Ltd.	Production and sale of electronic components and new alloy materials	10,722,080 (US\$ 335,065) (Note 9)	b	6,813,664 (US\$ 212,927)	- -	- -	6,813,664 (US\$ 212,927)	(478,654)	100.00	(478,654)	2,222,545	-
Changzhou China Steel Precision Materials Co., Ltd.	Melting and forging of nonferrous metallic materials and composites as well as new types of alloys	1,395,200 (US\$ 43,600) (Note 13)	b	418,560 (US\$ 13,080)	- -	- -	418,560 (US\$ 13,080)	22,016	30.00	6,603	518,691	1,012,960 (US\$ 31,655)
Nanjing Taiwan Trade Mart Management Co., Ltd.	Business and asset management, consulting and advertising services	32,000 (US\$ 1,000)	b	32,000 (US\$ 1,000)	- -	- -	32,000 (US\$ 1,000)	(2,104)	100.00	(2,104)	(541,413)	-

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2024	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 17)	Carrying Amount as of March 31, 2024	Accumulated Repatriation of Investment Income as of March 31, 2024
					Outward	Inward						
Dong Guan Cogne Steel Products Co., Ltd	Stainless steel products	\$ 795,647 (EUR 23,089)	b	\$ - (EUR -)	\$ - -	\$ - -	\$ - (EUR -)	\$ 7,530	70.00	\$ 5,271	\$ 585,165	\$ -
Shaanxi Tianhong Silicon Industrial Corporation	Polysilicon production	5,412,096 (RMB 1,200,000)	b	- (US\$ -)	- -	- -	- (US\$ -)	-	19.00	-	- (Note 10)	-
Jiangsu Taiwan Trade Mart Development Co., Ltd.	Development and management of Nanjing Taiwan Trade Mart Management Co., Ltd.	45,101 (RMB 10,000)	b	9,728 (US\$ 304)	- -	- -	9,728 (US\$ 304)	-	20.00	-	10,170	-
Shaanxi Electronic Group Optoelectronics Technology Co., Ltd. (Note 12)	Communications equipment and electronic components	701,755 (RMB 155,597)	b	- (RMB -)	- -	- -	- (RMB -)	7,551	6.02	-	54,175	-
Walsin (Nanjing) Development Co., Ltd.	Construction, rental and sale of buildings and industrial factories	1,600,000 (US\$ 50,000)	b	1,593,600 (US\$ 49,800) (Note 14)	- -	- -	1,593,600 (US\$ 49,800) (Note 14)	(130,809)	99.60	(130,291)	8,754,692	-
Nanjing Walsin Property Management Co., Ltd.	Property management, business management and housing leasing	4,510 (RMB 1,000)	b	- (RMB -)	- -	- -	- (RMB -)	1,706	99.60	1,701	(20,814)	-
Hangzhou Futong Electric Industries Co., Ltd.	Power cable accessories and technology development, technical service, technical advisory	451,008 (RMB 100,000)	b	- (RMB -)	- -	- -	- (RMB -)	(186)	51.00	(97)	120,284	-

2. The upper limit on investment of WLC in mainland China was as follows:

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2024 (NT\$ and US\$ in Thousands)	Investment Amounts Authorized by the Investment Commission, MOEA (NT\$ and US\$ in Thousands)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (NT\$ in Thousands)
\$19,350,016 (US\$604,688)	\$19,672,288 (US\$614,759)	N/A (Note 18)

Notes:

- Investments can be classified into three categories as follows:
 - Direct investment in mainland China.
 - Reinvestment in mainland China through companies in a third country companies.
 - Others.
- Including US\$15,000 thousand investment through Walsin (China) Investment Co., Ltd.
- Including US\$14,950 thousand investment through Walsin (China) Investment Co., Ltd.
- Including US\$13,300 thousand investment through Walsin (China) Investment Co., Ltd., US\$53,000 thousand investment through Ace Result Global Ltd. and US\$22,730 thousand dividends appropriated from Dongguan Walsin Wire & Cable Co., Ltd., Jiangying Walsin Steel Cable Co., Ltd., Shanghai Walsin Lihwa Power Wire & Cable Co., Ltd. and Hangzhou Walsin Power Cable & Wire Co., Ltd.
- Capital investment of US\$28,600 thousand was contributed from the accounts payable of Walsin (China) Investment Co., Ltd. to Walsin Lihwa Holdings Limited.
- Including US\$20,000 thousand investment through Walsin Specialty Steel Corp. and US\$42,000 thousand dividends appropriated from Changshu Walsin Specialty Steel Co., Ltd. and Shanghai Baihe Walsin Lihwa Specialty Steel Co., Ltd.
- Investment through Walsin (China) Investment Co., Ltd.

(Continued)

- 8. Including investments through Walsin (China) Investment Co., Ltd. of US\$4,500 thousand and US\$4,500 thousand of the own capital of Walsin (China) Investment Co., Ltd.
- 9. Including investments of its own capital of RMB578,796 thousand from Shanghai Baihe Walsin Lihwa Specialty Steel Co., Ltd., Changzhou Wujin NSL Co., Ltd. and Changshu Walsin Specialty Steel Co., Ltd. and RMB3,750 thousand investments through Changzhou Wujin NSL Co., Ltd. Including US\$32,927 thousand investment through Yantai Huanghai Iron and Steel Co., Ltd. and Yantai Dazhong Recycling Resource Co., Ltd. which were merged.
- 10. The amount was adjusted by the capital of XiAn Lv Jing Technology Co., Ltd. of RMB228,000 thousand and the fair value.
- 11. XiAn Walsin Metal Product Co., Ltd. merged XiAn Lv Jing Technology Co., Ltd. and XiAn Walsin Opto-electronic Limited.
- 12. Shaanxi Electronic Group Optoelectronics Technology Co., Ltd. was formerly known as Shaanxi Optoelectronics Technology Co., Ltd.
- 13. The amount included capitalization of retained earnings of US\$7,280 thousand.
- 14. The amount included investment through Joint Success Enterprise Limited approved in the previous years.
- 15. Amounts are stated in thousands of New Taiwan dollars, except those stated in thousands of U.S. dollars, renminbi and euro.
- 16. The currency exchange rates as of March 31, 2024 were as follows: US\$ to NT\$ = 1:32.00, RMB to NT\$ = 1:4.51008, EUR to NT\$ = 1:34.46. The average exchange rates of March 31, 2024 were as follows: US\$ to NT\$ = 1:31.448, RMB to NT\$ = 1:4.42882, EUR to NT\$ = 1:34.16224.
- 17. The basis for recognizing investment gains and losses in the current period is the financial report reviewed by an international accounting firm that has a cooperative relationship with the accounting firm of the Republic of China.
- 18. Upper limit on investment:

WLC was approved as the operation headquarter by the Industrial Development Bureau, Ministry of Economic Affairs and is thus exempted from the related regulations of “Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China”.

(Concluded)

CHIN-CHERNG CONSTRUCTION CO. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of U.S. Dollars and Renminbi)

1. The names of investee companies in mainland China, main businesses and products, total amount of paid-in capital, investment type, investment flows, percentage of ownership in investment, investment gain or loss, carrying amount, accumulated inward remittance of earnings and upper limit on investment in mainland China were as follows:

(In Thousands of U.S. Dollars and Renminbi)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2024	Net Income (Loss) of the Investee	Ownership of Direct or Indirect Investment (%)	Investment Gain (Loss) (Note 16)	Carrying Amount as of March 31, 2024	Accumulated Repatriation of Investment Income as of March 31, 2024
					Outward	Inward						
Walsin (Nanjing) Development Co., Ltd	Construction, rental and sale of buildings and industrial factories	US\$ 50,000	Note 1	US\$ 25,475	\$ -	\$ -	US\$ 25,475	\$ (29,536)	50.95	\$ (15,049)	\$ 992,956	\$ -
Nanjing Walsin Property Management Co., Ltd.	Property management, business management and housing leasing	1,000	Note 1	-	-	-	-	385	50.95	196	(2,361)	-

2. The upper limit on investment in mainland China

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2024 (NT\$ and US\$ in Thousands)	Investment Amounts Authorized by the Investment Commission, MOEA (NT\$ and US\$ in Thousands)	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA (NT\$ in Thousands)
US\$25,475	US\$25,475	US\$3,365,146 (Note 3)

Note 1: Investing in companies in mainland China through the companies already established and existing in the areas other than Taiwan and mainland China.

Note 2: The basis for recognizing investment gains and losses in the current period is the financial statements reviewed by an international accounting firm that has a cooperative relationship with the accounting firm of the Republic of China.

Note 3: The upper limit on investment in mainland China was as follows:

$$\text{NT\$5,608,576 thousand} \times 60\% = \text{NT\$3,365,146 thousand}.$$

Note 4: Amounts are stated in thousands of renminbi, except those stated in thousands of U.S. dollars.

TABLE 9

WALSIN LIHWA CORPORATION AND INVESTEES

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2024
(In Thousands of New Taiwan Dollars, U.S. Dollars, Renminbi, Euro and GBP)**

No.	Company Name	Counterparty	Relationship	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	Percentage of Consolidated Total Gross Sales or Total Assets (%)
0	Walsin Lihwa Corporation	Walsin Singapore Pte. Ltd.	Transactions between parent company and subsidiaries	Other receivables	\$ 359,779	The terms are set by quotations on the local market and are similar to those of general customers	-
		Borrego Energy Holdings, LLC	Transactions between parent company and subsidiaries	Other receivables	243,832	Based on capital demand	-
		Borrego Energy, LLC	Transactions between parent company and subsidiaries	Other receivables	686,725	Based on capital demand	-
		PT. Walsin Nickel Industrial Indonesia	Transactions between parent company and subsidiaries	Other receivables	2,016,000	Based on capital demand	1
		Walsin Lihwa Holdings Limited	Transactions between parent company and subsidiaries	Other receivables	186,326	Based on capital demand	-
1	Walsin Lihwa Holdings Limited	Walsin (China) Investment Co., Ltd.	Transactions between parent company and subsidiaries	Other receivables	RMB 230,706	Based on capital demand	-
		Walsin International Investments Limited	Transactions between parent company and subsidiaries	Other receivables	USD 4,500	Based on capital demand	-
2	Walsin (China) Investment Co., Ltd.	Yantai Walsin Specialty Steel Co., Ltd.	Transactions between subsidiaries	Other receivables	US\$ 86,495	Based on capital demand	2
		Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Transactions between subsidiaries	Other receivables	RMB 831,776	Based on capital demand	1
		Jiangyin Walsin Steel Cable Co., Ltd.	Transactions between parent company and subsidiaries	Other receivables	US\$ 42,959	Based on capital demand	-
		Changshu Walsin Specialty Steel Co., Ltd.	Transactions between parent company and subsidiaries	Other receivables	RMB 76,323	Based on capital demand	-
		Walsin (Nanjing) Development Co., Ltd.	Transactions between subsidiaries	Other receivables	US\$ 9,262	Based on capital demand	-
		XiAn Walsin Metal Product Co., Ltd.	Transactions between subsidiaries	Other receivables	RMB 1,691	Based on capital demand	3
		Nanjing Taiwan Trade Mart Management Co., Ltd.	Transactions between subsidiaries	Other receivables	RMB 1,676,048	Based on capital demand	-
		Dongguan Walsin Wire & Cable Co., Ltd.	Transactions between subsidiaries	Other receivables	RMB 183,300	Based on capital demand	-
			Transactions between parent company and subsidiaries	Other receivables	RMB 101,316	Based on capital demand	-
3	Walsin International Investments Limited	Walsin Lihwa Corporation	Transactions between subsidiaries and parent company	Other receivables	US\$ 16,098	Based on capital demand	-
		Walsin (China) Investment Co., Ltd.	Transactions between subsidiaries	Other receivables	US\$ 63,053	Based on capital demand	1
					US\$ 144,623	Based on capital demand	6
					RMB 2,336,024		

(Continued)

No.	Company Name	Counterparty	Relationship	Transaction Details				Percentage of Consolidated Total Gross Sales or Total Assets (%)
				Financial Statement Accounts	Amount		Payment Terms	
4	Yantai Walsin Stainless Steel Co., Ltd.	Changshu Walsin Specialty Steel Co., Ltd.	Transactions between subsidiaries	Trade receivables	RMB	38,234	The terms are set by quotations on the local market and are similar to those of general customers	-
		Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Transactions between subsidiaries	Trade receivables	RMB	29,417	The terms are set by quotations on the local market and are similar to those of general customers	-
		Changshu Walsin Specialty Steel Co., Ltd.	Transactions between subsidiaries	Sales	RMB	53,110	The terms are set by quotations on the local market and are similar to those of general customers	1
		Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Transactions between subsidiaries	Sales	RMB	56,843	The terms are set by quotations on the local market and are similar to those of general customers	1
5	Jiangyin Walsin Specialty Alloy Materials Co., Ltd.	Walsin (China) Investment Co., Ltd.	Transactions between subsidiaries	Other receivables	RMB	135,821	Based on capital demand	-
6	Dongguan Walsin Wire & Cable Co., Ltd.	Walsin (China) Investment Co., Ltd.	Transactions between subsidiaries and parent company	Other receivables	RMB	103,421	Based on capital demand	-
7	Walsin Singapore Pte. Ltd.	PT. Sunny Metal Industry	Transactions between parent company and subsidiaries	Other receivables	US\$	320,973	Based on capital demand	4
		Walsin Lihwa Corporation	Transactions between subsidiaries and parent company	Sales	US\$	168,301	The terms are set by quotations on the local market and are similar to those of general customers	13
		Yantai Walsin Stainless Steel Co., Ltd.	Transactions between subsidiaries	Sales	US\$	17,448	The terms are set by quotations on the local market and are similar to those of general customers	1
		Walsin Lihwa Corporation	Transactions between subsidiaries and parent company	Trade receivables	US\$	21,168	The terms are set by quotations on the local market and are similar to those of general customers	-
		Yantai Walsin Stainless Steel Co., Ltd.	Transactions between subsidiaries	Trade receivables	US\$	16,522	The terms are set by quotations on the local market and are similar to those of general customers	-
		PT Walsin Nickel Industrial Indonesia	Transactions between subsidiaries	Other receivables	US\$	58,800	Based on capital demand	1
8	PT. Sunny Metal Industry	PT. Walhsu Metal Industry	Transactions between parent company and subsidiaries	Other receivables	US\$	40,107	Based on capital demand	-
9	PT Walsin Nickel Industrial Indonesia	Walsin Lihwa Corporation	Transactions between subsidiaries and parent company	Other receivables	US\$	20,099	Based on capital demand	-
		Walsin Singapore Pte. Ltd.	Transactions between subsidiaries	Other receivables	US\$	40,239	Based on capital demand	-
10	Walsin Info-Electric Corp.	Walsin Lihwa Corporation	Transactions between subsidiaries and parent company	Other receivables		100,482	Based on capital demand	-
11	Cogne Acciai Speciali S.p.A.	Yantai Walsin Stainless Steel Co., Ltd.	Transactions between subsidiaries	Trade receivables	EUR	10,901	The terms are set by quotations on the local market and are similar to those of general customers	-
		Special Melted Products Limited	Transactions between parent company and subsidiaries	Other receivables	GBP	6,152	Based on capital demand	-

(Concluded)

WALSIN LIHWA CORPORATION AND SUBSIDIARIES**INFORMATION OF MAJOR SHAREHOLDERS****MARCH 31, 2024**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Chin-Xin Investment Co., Ltd.	248,002,375	6.15
Winbond Electronics Corp.	247,527,493	6.14
TECO Electric & Machinery Co., Ltd.	210,332,690	5.22

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (included treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers their shareholdings to the trust, the above information will be disclosed by the individual trustee who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.