

**DELTA ELECTRONICS, INC. AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REPORT  
DECEMBER 31, 2023 AND 2022**

---

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

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of Delta Electronics, Inc.

### ***Opinion***

We have audited the accompanying consolidated balance sheets of Delta Electronics, Inc. and subsidiaries (the "Group") as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

### ***Basis for opinion***

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the audit reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2023 consolidated financial statements are stated as follows:

### **Assessment of the reasonableness of the purchase price allocation for business combination**

#### **Description**

Refer to Note 4(37) in the consolidated financial statements for the accounting policy on business combination. Refer to Notes 6(9) and (30) in the consolidated financial statements for the accounting treatment of business combination and the allocation of purchase price.

In July 2022, the subsidiary of the Company, Delta International Holding Limited B.V., acquired 100% of the share capital of UI Acquisition Holding Co. for NT\$2,797,346 thousand. The allocation of the acquisition price was completed in the first quarter of 2023. The acquisition price and the amount of intangible assets arising from the business acquisition are significant and the net fair value of identifiable assets and liabilities and the allocation of intangible assets are based on management's estimation and subjective judgement. Thus, we considered the purchase price allocation for the above business combination a key audit matter.

#### **How our audit addressed the matter**

We performed the following procedures for the above key audit matter:

- A. Assessed the appropriateness and objectivity of the appraisers appointed by the management.
- B. Reviewed identification of intangible assets, fair value measurement of identifiable intangible assets, discount rates and the reasonableness of goodwill calculation in the purchase price allocation report prepared by external experts.

## **Intangible Assets - Impairment assessment of goodwill**

### Description

Refer to Note 4(21) for the accounting policies on impairment of non-financial assets. Refer to Notes 5(2) and 6(9) for the impairment assessment of goodwill including critical accounting estimates. As of December 31, 2023, goodwill arising from both the acquisitions of the Company in Cyntec Co., Ltd. and Atrust Computer Corporation, and the acquisitions through the Company's subsidiaries, Delta International Holding Limited B.V.(DIH) and Delta Electronics (Netherlands) B.V.(DEN), in DELTA ELECTRONICS (NORWAY) AS, Delta Controls Inc., Delta Greentech (China) Co., Ltd., March Network Holdings Ltd., Amerlux LLC, and Trihedral Engineering Limited amounted to NT\$18,324,143 thousand, constituting 4.00% of the consolidated total assets. As the balance of goodwill acquired from the merger is material, the assumptions used in assessing goodwill impairment involves material accounting estimates which are complex and have high uncertainty. Thus, we considered the impairment assessment of goodwill a key audit matter.

### How our audit addressed the matter

We performed the following procedures for the above key audit matter:

- A. Understood the process of goodwill impairment assessment, obtained the assessment form provided by management and assessed whether the valuation models adopted by management are reasonable for the industry, environment and the valued assets of the Company.
- B. Assessed the reasonableness of material assumptions, such as expected future cash flows, expected growth rates, operating margin and discount rates, by:
  - (a) Checking the setting of parameters of valuation models and calculation formulas;
  - (b) Confirming whether the expected future cash flows are in agreement with the budget provided by the business units;
  - (c) Comparing the expected growth rate and operating margin with historical data, economic and industrial forecast documents; and
  - (d) Comparing the discount rate with cost of capital assumptions of cash generating units and rates of return of similar assets.

C. Performed a sensitivity analysis on the value of significant assumptions to assess the risk of impairment of goodwill if there is a change in significant assumptions.

***Other matter – Reference to the audits of other auditors***

We did not audit the consolidated financial statements of certain subsidiaries which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors. Total assets of these subsidiaries amounted to NT\$80,670,851 thousand and NT\$81,281,054 thousand, constituting 17.62% and 19.09% of the consolidated total assets as at December 31, 2023 and 2022, respectively, and the operating revenue amounted to NT\$86,453,765 thousand and NT\$76,452,947 thousand, constituting 21.55% and 19.89% of the consolidated total operating revenue for the years then ended, respectively.

***Other matter – Parent company only financial reports***

We have audited and expressed an unqualified opinion with other matter section on the parent company only financial statements of Delta Electronics, Inc. as at and for the years ended December 31, 2023 and 2022.

***Responsibilities of management and those charged with governance for 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group

or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the Group's financial reporting process.

### ***Auditors' responsibilities for the audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

- A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The consolidated financial statements of Delta Electronics, Inc. and subsidiaries as at and for the year ended December 31, 2023 expressed in US dollars are presented solely for the convenience of the reader and were translated from the financial statements expressed in New Taiwan dollars using the

exchange rate of \$30.705 to US\$1.00 at December 31, 2023. This basis of translation is not in accordance with International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins that are ratified by the FSC.

Hsiao, Chun-Yuan    Chou, Chien-Hung

for and on behalf of PricewaterhouseCoopers, Taiwan

February 29, 2024

---

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

**DELTA ELECTRONICS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**  
(EXPRESSED IN THOUSANDS OF DOLLARS)

Assets	Notes	US Dollars	New Taiwan Dollars	
		December 31, 2023	December 31, 2023	December 31, 2022
<b>Current assets</b>				
Cash and cash equivalents	6(1)	\$ 2,848,263	\$ 87,455,916	\$ 61,546,836
Financial assets at fair value through profit or loss - current	6(2)	159,716	4,904,074	1,759,612
Financial assets at amortised cost - current	8	8,454	259,567	265,382
Contract assets - current	6(20)	180,070	5,529,060	4,135,672
Notes receivable, net	6(5)	73,146	2,245,939	3,123,642
Accounts receivable, net	6(5)	2,511,901	77,127,923	84,074,069
Accounts receivable - related parties, net	7	189	5,801	29,551
Other receivables	7	75,760	2,326,227	2,449,171
Current income tax assets		26,229	805,368	379,086
Inventories	6(6)	2,482,546	76,226,562	79,844,364
Prepayments		97,598	2,996,762	2,690,148
Other current assets		2,442	74,985	152,933
<b>Total current assets</b>		<u>8,466,314</u>	<u>259,958,184</u>	<u>240,450,466</u>
<b>Non-current assets</b>				
Financial assets at fair value through profit or loss - non-current	6(2)	44,533	1,367,375	2,771,627
Financial assets at fair value through other comprehensive income - non-current	6(3)	64,974	1,995,030	1,740,553
Contract assets - non-current	6(20)	23,069	708,329	503,403
Investments accounted for under the equity method		3,238	99,423	92,430
Property, plant and equipment	6(7) and 8	3,191,712	98,001,515	86,266,587
Right-of-use assets	6(8)	157,463	4,834,885	5,086,323
Investment property, net		458	14,070	18,128
Intangible assets	6(9)	2,558,033	78,544,404	77,169,854
Deferred income tax assets	6(27)	287,688	8,833,470	8,175,453
Other non-current assets	6(5)(10) and 8	110,402	3,389,893	3,598,982
<b>Total non-current assets</b>		<u>6,441,570</u>	<u>197,788,394</u>	<u>185,423,340</u>
<b>Total assets</b>		<u>\$ 14,907,884</u>	<u>\$ 457,746,578</u>	<u>\$ 425,873,806</u>

(Continued)

**DELTA ELECTRONICS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**  
(EXPRESSED IN THOUSANDS OF DOLLARS)

Liabilities and Equity	Notes	US Dollars		New Taiwan Dollars	
		December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2022
<b>Current liabilities</b>					
Short-term borrowings	6(11)	\$ 108,611	\$ 3,334,888	\$ 2,076,762	
Financial liabilities at fair value	6(2)				
through profit or loss - current		1,772	54,410	74,232	
Contract liabilities - current	6(20)	298,222	9,156,906	7,536,826	
Notes payable		148	4,538	1,406	
Accounts payable		1,742,264	53,496,221	62,685,739	
Accounts payable - related parties	7	1,244	38,185	28,525	
Other payables	6(12) and 7	1,443,935	44,336,025	40,718,682	
Current income tax liabilities		185,087	5,683,107	5,547,274	
Long-term liabilities, current portion	6(14)	82,712	2,539,678	42,424	
Other current liabilities		242,325	7,440,595	6,301,558	
<b>Total current liabilities</b>		<b>4,106,320</b>	<b>126,084,553</b>	<b>125,013,428</b>	
<b>Non-current liabilities</b>					
Bonds payable	6(13)	947,728	29,100,000	11,600,000	
Long-term borrowings	6(14)	726,931	22,320,422	32,737,342	
Deferred income tax liabilities	6(27)	771,145	23,678,006	19,342,795	
Lease liabilities - non-current		83,220	2,555,275	2,302,735	
Other non-current liabilities	6(15)	367,134	11,272,829	9,510,321	
<b>Total non-current liabilities</b>		<b>2,896,158</b>	<b>88,926,532</b>	<b>75,493,193</b>	
<b>Total liabilities</b>		<b>7,002,478</b>	<b>215,011,085</b>	<b>200,506,621</b>	
<b>Equity</b>					
Share capital	6(16)				
Common stock		845,967	25,975,433	25,975,433	
Capital surplus	6(17)				
Capital surplus		1,779,417	54,636,991	49,321,767	
Retained earnings	6(18)				
Legal reserve		1,161,851	35,674,625	32,386,305	
Special reserve		96,684	2,968,678	16,166,722	
Unappropriated retained earnings		2,732,577	83,903,789	65,907,358	
Other equity interest					
Other equity interest		( 130,133)	( 3,995,738)	( 2,968,678)	
<b>Equity attributable to owners of the parent</b>		<b>6,486,363</b>	<b>199,163,778</b>	<b>186,788,907</b>	
	4(3) and				
<b>Non-controlling interest</b>	6(19)	<b>1,419,043</b>	<b>43,571,715</b>	<b>38,578,278</b>	
<b>Total equity</b>		<b>7,905,406</b>	<b>242,735,493</b>	<b>225,367,185</b>	
Significant contingent liabilities and unrecorded contract commitments	9				
Significant events after the balance sheet date	11				
<b>Total liabilities and equity</b>		<b>\$ 14,907,884</b>	<b>\$ 457,746,578</b>	<b>\$ 425,873,806</b>	

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

**DELTA ELECTRONICS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(EXPRESSED IN THOUSANDS OF DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

Items	Notes	US Dollars		New Taiwan Dollars	
		2023	2023	2023	2022
Operating revenue	6(20) and 7	\$ 13,067,139	\$ 401,226,501	\$ 384,443,308	
Operating costs	6(6)(25)				
	(26) and 7	( 9,249,747)	( 284,013,473)	( 273,670,745)	
Gross profit		<u>3,817,392</u>	<u>117,213,028</u>	<u>110,772,563</u>	
Operating expenses	6(25)(26)				
Selling expenses		( 786,062)	( 24,136,041)	( 22,533,664)	
General and administrative expenses		( 519,523)	( 15,951,952)	( 14,896,570)	
Research and development expenses		( 1,174,006)	( 36,047,850)	( 31,769,981)	
Expected credit impairment loss	12(2)	( 4,147)	( 127,348)	( 133,524)	
Total operating expenses		( 2,483,738)	( 76,263,191)	( 69,333,739)	
Operating profit		<u>1,333,654</u>	<u>40,949,837</u>	<u>41,438,824</u>	
Non-operating income and expenses					
Interest income	6(21)	67,420	2,070,115	609,613	
Other income	6(22)	144,631	4,440,902	3,360,096	
Other gains and losses	6(23)	76,329	2,343,695	1,197,074	
Finance costs	6(24)	( 38,128)	( 1,170,718)	( 571,440)	
Share of profit of associates and joint ventures accounted for under the equity method		<u>270</u>	<u>8,280</u>	<u>31,131</u>	
Total non-operating income and expenses		<u>250,522</u>	<u>7,692,274</u>	<u>4,626,474</u>	
<b>Profit before income tax</b>		<u>1,584,176</u>	<u>48,642,111</u>	<u>46,065,298</u>	
Income tax expense	6(27)	( 317,921)	( 9,761,744)	( 9,074,560)	
<b>Profit for the year</b>		<u>\$ 1,266,255</u>	<u>\$ 38,880,367</u>	<u>\$ 36,990,738</u>	

(Continued)

**DELTA ELECTRONICS, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(EXPRESSED IN THOUSANDS OF DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

Items	Notes	US Dollars		New Taiwan Dollars	
		2023	2023	2023	2022
<b>Other comprehensive income (loss)</b>					
<b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>					
(Loss) gain on remeasurements of defined benefit plans		(\$ 6,907)	(\$ 212,064)	\$ 298,222	
Unrealised gain on valuation of equity investment at fair value through other comprehensive income	6(3)	11,485	352,641	217,848	
Loss on hedging instrument that will not be reclassified to profit or loss	6(4)	( 5,545)	( 170,271)	-	
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(27)	( 2,025)	( 62,162)	( 4,296)	
Other comprehensive income (loss) that will not be reclassified to profit or loss		( 2,992)	( 91,856)	511,774	
<b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>					
Financial statements translation differences of foreign operations		( 19,628)	( 602,681)	17,720,026	
Share of other comprehensive loss of associates and joint ventures accounted for under the equity method that will be reclassified to profit or loss		( 75)	( 2,307)	( 1,788)	
Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6(27)	894	27,444	( 1,069,086)	
Other comprehensive income (loss) that will be reclassified to profit or loss		( 18,809)	( 577,544)	16,649,152	
<b>Other comprehensive income (loss) for the year</b>		<b>(\$ 21,801)</b>	<b>(\$ 669,400)</b>	<b>\$ 17,160,926</b>	
<b>Total comprehensive income for the year</b>		<b>\$ 1,244,454</b>	<b>\$ 38,210,967</b>	<b>\$ 54,151,664</b>	
Profit attributable to:					
Owners of the parent		\$ 1,087,532	\$ 33,392,665	\$ 32,665,728	
Non-controlling interest		\$ 178,723	\$ 5,487,702	\$ 4,325,010	
Comprehensive income attributable to:					
Owners of the parent		\$ 1,055,559	\$ 32,410,943	\$ 46,081,891	
Non-controlling interest		\$ 188,895	\$ 5,800,024	\$ 8,069,773	
Earnings per share					
Basic earnings per share	6(28)	\$ 0.42	\$ 12.86	\$ 12.58	
Diluted earnings per share	6(28)	\$ 0.42	\$ 12.80	\$ 12.52	

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(EXPRESSED IN THOUSANDS OF DOLLARS)

Equity attributable to owners of the parent												
	Retained earnings						Other equity interest					
	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Gain (loss) on hedging instruments	Total			Non-controlling interest
Notes												
<u>2022 New Taiwan Dollars</u>												
Balance at January 1, 2022	\$ 25,975,433	\$ 49,114,151	\$ 29,697,752	\$ 12,543,208	\$ 53,622,701	(\$ 15,520,287)	(\$ 776,353)	\$ 129,917	\$ 154,786,522	\$ 31,338,136	\$ 186,124,658	
Profit for the year	-	-	-	-	32,665,728	-	-	-	32,665,728	4,325,010	36,990,738	
Other comprehensive income for the year	-	-	-	-	209,626	12,990,071	216,466	-	13,416,163	3,744,763	17,160,926	
Total comprehensive income for the year	-	-	-	-	32,875,354	12,990,071	216,466	-	46,081,891	8,069,773	54,151,664	
Distribution of 2021 earnings	6(18)											
Legal reserve		-	2,688,553	-	( 2,688,553)	-	-	-	-	-	-	
Special reserve		-	-	3,623,514	( 3,623,514)	-	-	-	-	-	-	
Cash dividends		-	-	-	( 14,286,479)	-	-	-	( 14,286,479)	-	( 14,286,479)	
Changes in ownership interests in subsidiaries		-	192,294	-	-	-	-	-	192,294	-	192,294	
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(32)	-	15,322	-	( 643)	-	-	-	14,679	( 125,911)	( 111,232)	
Disposal of equity investments at fair value through other comprehensive income		-	-	-	8,492	-	( 8,492)	-	-	-	-	
Changes in non-controlling interests		-	-	-	-	-	-	-	-	( 703,720)	( 703,720)	
Balance at December 31, 2022		<u>\$ 25,975,433</u>	<u>\$ 49,321,767</u>	<u>\$ 32,386,305</u>	<u>\$ 16,166,722</u>	<u>\$ 65,907,358</u>	<u>(\$ 2,530,216)</u>	<u>(\$ 568,379)</u>	<u>\$ 129,917</u>	<u>\$ 186,788,907</u>	<u>\$ 38,578,278</u>	<u>\$ 225,367,185</u>
<u>2023 New Taiwan Dollars</u>												
Balance at January 1, 2023		\$ 25,975,433	\$ 49,321,767	\$ 32,386,305	\$ 16,166,722	\$ 65,907,358	(\$ 2,530,216)	(\$ 568,379)	\$ 129,917	\$ 186,788,907	\$ 38,578,278	\$ 225,367,185
Profit for the year		-	-	-	-	33,392,665	-	-	-	33,392,665	5,487,702	38,880,367
Other comprehensive income (loss) for the year		-	-	-	( 144,952)	( 954,138)	287,639	( 170,271)	( 981,722)	312,322	( 669,400)	
Total comprehensive income (loss) for the year		-	-	-	( 33,247,713)	( 954,138)	287,639	( 170,271)	32,410,943	5,800,024	38,210,967	
Distribution of 2022 earnings	6(18)											
Legal reserve		-	-	3,288,320	-	( 3,288,320)	-	-	-	-	-	
Special reserve		-	-	-	( 13,198,044)	13,198,044	-	-	-	-	-	
Cash dividends		-	-	-	-	( 25,559,802)	-	-	( 25,559,802)	-	( 25,559,802)	
Change in ownership interests in subsidiaries		-	31,584	-	-	-	-	-	31,584	-	31,584	
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(32)	-	5,283,640	-	-	( 507)	38,742	-	5,321,875	451,901	5,773,776	
Adjustment of profit and loss basis of hedging instruments	6(4)	-	-	-	-	-	-	170,271	170,271	-	170,271	
Disposal of investments in equity instruments designated at fair value through other comprehensive income		-	-	-	-	399,303	-	( 399,303)	-	-	-	
Changes in non-controlling interests		-	-	-	-	-	-	-	-	( 1,258,488)	( 1,258,488)	
Balance at December 31, 2023		<u>\$ 25,975,433</u>	<u>\$ 54,636,991</u>	<u>\$ 35,674,625</u>	<u>\$ 2,968,678</u>	<u>\$ 83,903,789</u>	<u>(\$ 3,445,612)</u>	<u>(\$ 680,043)</u>	<u>\$ 129,917</u>	<u>\$ 199,163,778</u>	<u>\$ 43,571,715</u>	<u>\$ 242,735,493</u>

(Continued)

DELTA ELECTRONICS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(EXPRESSED IN THOUSANDS OF DOLLARS)

Equity attributable to owners of the parent												
	Retained earnings						Other equity interest			Non-controlling interest	Total equity	
	Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gain (loss) on financial assets measured at fair value through other comprehensive income	Gain (loss) on hedging instruments	Total			
Notes												
<u>2023 US Dollars</u>												
		\$ 845,967	\$ 1,606,310	\$ 1,054,757	\$ 526,518	\$ 2,146,470	(\$ 82,404)	(\$ 18,511)	\$ 4,231	\$ 6,083,338	\$ 1,256,417	\$ 7,339,755
		-	-	-	-	1,087,532	-	-	-	1,087,532	178,723	1,266,255
		-	-	-	-	( 4,721)	( 31,075)	9,368	( 5,545)	( 31,973)	10,172	( 21,801)
		-	-	-	-	1,082,811	( 31,075)	9,368	( 5,545)	1,055,559	188,895	1,244,454
	6(18)											
		-	-	107,094	-	( 107,094)	-	-	-	-	-	-
		-	-	-	( 429,834)	429,834	-	-	-	-	-	-
		-	-	-	-	( 832,431)	-	-	-	( 832,431)	-	( 832,431)
		-	1,029	-	-	-	-	-	-	1,029	-	1,029
	6(32)											
		-	172,078	-	-	( 17)	1,262	-	-	173,323	14,718	188,041
	6(4)											
		-	-	-	-	-	-	-	5,545	5,545	-	5,545
		-	-	-	-	13,004	-	( 13,004)	-	-	-	-
		-	-	-	-	-	-	-	-	-	( 40,987)	( 40,987)
		\$ 845,967	\$ 1,779,417	\$ 1,161,851	\$ 96,684	\$ 2,732,577	(\$ 112,217)	(\$ 22,147)	\$ 4,231	\$ 6,486,363	\$ 1,419,043	\$ 7,905,406

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(EXPRESSED IN THOUSANDS OF DOLLARS)

	Notes	US Dollars	New Taiwan Dollars	
		2023	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Consolidated profit before tax for the year		\$ 1,584,176	\$ 48,642,111	\$ 46,065,298
Adjustments				
Income and expenses having no effect on cash flows				
Depreciation	6(7)(8)(25)	572,450	17,577,068	15,020,243
Amortization	6(9)(25)	130,685	4,012,685	3,915,932
Expected credit impairment loss	12(2)	4,147	127,348	133,524
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(23)	( 61,601 )	( 1,891,458 )	( 845,835 )
Interest expense	6(24)	38,128	1,170,718	571,440
Interest income	6(21)	( 67,420 )	( 2,070,115 )	( 609,613 )
Dividend income	6(22)	( 6,965 )	( 213,856 )	( 291,617 )
Share-based payments	6(29)	1,494	45,869	74,885
Share of profit of associates accounted for under the equity method		( 270 )	( 8,280 )	( 31,131 )
Loss (gain) on disposal of property, plant and equipment	6(23)	6,408	196,768	( 426,041 )
Gain on disposal of investments	6(23)	( 6,754 )	( 207,397 )	-
Impairment loss on non-financial assets	6(7)(9)(23)	10,387	318,915	417,151
Changes in assets/liabilities relating to operating activities				
Net changes in assets relating to operating activities				
Financial assets mandatorily measured at fair value through profit or loss		11,035	338,833	381,016
Contract assets		( 29,175 )	( 895,832 )	( 586,821 )
Notes receivable		28,585	877,703	296,991
Accounts receivable		235,969	7,245,438	( 15,664,563 )
Accounts receivable - related parties		774	23,750	( 1,720 )
Other receivables		1,598	49,058	1,386,552
Other receivables - related parties		14,763	453,284	( 1,999,190 )
Inventories		134,574	4,132,104	( 12,320,867 )
Prepayments		( 5,542 )	( 170,154 )	194,678
Other current assets		2,962	90,946	( 55,889 )
Other non-current assets		3,760	115,452	-
Net changes in liabilities relating to operating activities				
Contract liabilities		44,517	1,366,907	1,681,078
Notes payable		102	3,132	966
Accounts payable		( 320,026 )	( 9,826,389 )	7,613,266
Accounts payable - related parties		326	10,006	13,502
Other payables		93,691	2,876,788	4,408,169
Other current liabilities		23,365	717,425	1,669,009
Other non-current liabilities		58,425	1,793,941	1,234,960
Cash inflow generated from operations		2,504,568	76,902,768	52,245,373
Interest received		63,477	1,949,060	588,705
Dividends received		6,965	213,859	291,362
Interest paid		( 31,027 )	( 952,693 )	( 486,748 )
Income taxes paid		( 228,842 )	( 7,026,581 )	( 6,109,584 )
Net cash flows from operating activities		2,315,141	71,086,413	46,529,108

(Continued)

DELTA ELECTRONICS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2023 AND 2022  
(EXPRESSED IN THOUSANDS OF DOLLARS)

	Notes	US Dollars	New Taiwan Dollars	
		2023	2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Acquisition of financial assets at fair value through other comprehensive income		( \$ 15,018 )	( \$ 461,120 )	\$ -
Proceeds from disposal of financial assets at fair value through other comprehensive income		18,049	554,179	81,320
Decrease in financial assets at amortised cost		3,909	120,039	136,488
Increase in financial assets for hedging		( 147,871 )	( 4,540,389 )	-
Decrease in financial assets for hedging		147,871	4,540,389	-
Net cash flow from acquisition of subsidiaries (net of cash acquired)	6(30)	( 183,352 )	( 5,629,812 )	( 2,625,458 )
Proceeds from disposal of subsidiaries (net of cash disposed)	6(31)	2,899	89,006	-
Acquisition of property, plant and equipment	6(7)	( 906,359 )	( 27,829,767 )	( 21,824,042 )
Proceeds from government grants - property, plant and equipment	6(7)	443	13,611	11,419
Proceeds from disposal of property, plant and equipment		1,691	51,934	843,099
Proceeds from government grants - Right-of-use assets		-	-	637,890
Disposal (acquisition) of investment property		132	4,058	( 4,058 )
Acquisition of intangible assets	6(9)	( 15,303 )	( 469,890 )	( 615,536 )
Decrease (increase) in other non-current assets		1,826	56,069	( 1,360,365 )
Net cash flows used in investing activities		( 1,091,083 )	( 33,501,693 )	( 24,719,243 )
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Increase (decrease) in short-term borrowings	6(33)	28,468	874,114	( 2,320,600 )
Issuance of bonds payable	6(13)(33)	569,940	17,500,000	11,600,000
Proceeds from long-term debts		2,154,385	66,150,386	61,464,441
Repayment of long-term debts		( 2,416,477 )	( 74,197,912 )	( 72,643,587 )
Lease principal repayment		( 26,580 )	( 816,154 )	( 1,940,165 )
Increase (decrease) in refundable deposits		2,863	87,910	( 762,527 )
Cash dividends paid	6(18)	( 832,431 )	( 25,559,802 )	( 14,286,479 )
Cash dividends paid to minority share interests	6(19)	( 61,734 )	( 1,895,556 )	( 739,023 )
Acquisition of ownership interests in subsidiaries	6(32)	( 53 )	( 1,619 )	( 111,232 )
Disposal of ownership interests in subsidiaries (without losing control)	6(32)	240,370	7,380,571	-
Net cash flows used in financing activities		( 341,249 )	( 10,478,062 )	( 19,739,172 )
Effects due to changes in exchange rate		( 39,002 )	( 1,197,578 )	9,621,090
Net increase in cash and cash equivalents		843,807	25,909,080	11,691,783
Cash and cash equivalents at beginning of year		2,004,456	61,546,836	49,855,053
Cash and cash equivalents at end of year		\$ 2,848,263	\$ 87,455,916	\$ 61,546,836

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

DELTA ELECTRONICS, INC. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2023 AND 2022

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

1. HISTORY AND ORGANIZATION

Delta Electronics, Inc. (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the Group) are global leaders in power and thermal management solutions and are primarily engaged in the research and development, design, manufacturing and sales of electronic control systems, DC brushless fans, thermal system, and miniaturization key component, electric vehicle power supply systems, industrial automation products, digital display products, information products, communication products, consumer electronics products, energy-saving lighting application, renewable energy applications, EV charging, energy technology services and consulting services of building management and control solutions, etc. The Group's mission statement, to provide innovative, clean and energy-efficient solutions for a better tomorrow, focuses on addressing key environmental issues such as global climate change. With the concern for the environment, the Group continues to develop innovative energy-efficient products and solutions. In recent years, the Group has transformed from a product provider towards a solution provider and the Group's business is segregated into power electronics business, automation business, and infrastructure business.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on February 29, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards("IFRS<sup>®</sup>") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

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

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment. The related information and quantitative impact are provided in Note 6(27):

Amendments to IAS 12, 'International tax reform - pillar two model rules'

The amendments give companies temporary relief from accounting for deferred income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organization for Economic Co-operation and Development (OECD). An entity shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

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

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

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

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

#### 4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### (1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

##### (2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
  - (b) Financial assets at fair value through other comprehensive income.
  - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

##### (3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
  - (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.
  - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

- (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
1	Delta Electronics, Inc.	Delta International Holding Limited B.V. (DIH)	Equity investments	100	100	
2	"	Delta Networks Holding Limited (DNH)	"	100	100	
3	"	Delta Electronics (Netherlands) B.V. (DEN)	Sales of power products, display solution products, electronic components, industrial automation products and materials	100	100	
4	"	Cyntec Co., Ltd. (Cyntec)	Research, development, manufacturing and sales of film optic-electronics devices	100	100	
5	"	DelBio Inc. (DelBio)	Manufacturing, wholesale and retail of medical equipment	100	100	
6	"	Delta Electronics Capital Company (DECC)	Equity investments	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
7	Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd. (DEIL-SG)	Research, development and sales of electronic products	100	100	
8	Delta Electronics, Inc. and DIH/Delta Electronics, Inc. and DEN	Delta America Ltd. (DAL)	Equity investments	100	100	Note 4
9	DEN	Delta Electronics (H.K.) Ltd. (DHK)	Equity investments, operations management and engineering services	100	100	
10	DIH	DEI Logistics (USA) Corp. (ALI)	Warehousing and logistics services	100	100	
11	"	Delta Electronics (Japan), Inc. (DEJ)	Sales of power products, display solution products, electronic components, industrial automation products and materials	100	100	
12	DEN	Drake Investment (HK) Limited (Drake-HK)	Equity investments	100	100	
13	DGSG, Drake-HK and Boom	Delta Greentech (China) Co., Ltd. (DGC)	Sales of uninterruptible power systems and others	95.91	95.91	
14	Boom/DEN	Delta Greentech SGP Pte. Ltd. (DGSG)	Equity investments	100	100	Note 7
15	DIH	Delta Electronics Europe Ltd. (DEU)	Repair centre and providing support services	-	100	Note 14
16	Drake/DEN	Boom Treasure Limited (Boom)	Equity investments	100	100	Note 9

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
17	DHK	Delta Electronics (Dongguan) Co., Ltd. (DDG)	Manufacturing and sales of transformer and thermal products	100	100	
18	"	Delta Electronics (Shanghai) Co., Ltd. (DPEC)	Product design, management consulting service and distribution of electronic products	100	100	
19	"	Delta Electronics (Jiangsu) Ltd. (DWJ)	Manufacturing and sales of power supplies and transformers	100	100	
20	"	Delta Electronics (Wuhu) Co., Ltd. (DWH)	Manufacturing and sales of LED light source, power supplies and others	100	100	
21	"	Delta Electronics (Chenzhou) Co., Ltd. (DCZ)	Manufacturing and sales of transformers	100	100	
22	"	Cyntec Electronics (Wuhu) Co., Ltd. (CEWH)	Manufacturing and sales of electronic components, molds, forgings and powder metallurgy products	100	100	
23	DHK and DIH	Delta Electronics International Mexico, S.A. de C.V. (DEIL-MX)	Sales of power management system of industrial automation product and telecommunications equipment	100	100	
24	DHK	Delta Green (Tianjin) Industries Co., Ltd. (DGT)	Manufacturing and sales of transformers	100	100	
25	"	Delta Electronics (Pingtan) Co., Ltd. (Delta Pingtan)	Wholesale and retail of electronic products and energy-saving equipment	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
26	DEJ	Addtron Technology (Japan), Inc. (AT Japan)	Trading of networking system and peripherals	100	100	
27	„	Delta Electronics (Korea), Inc. (Delta Korea)	Sales of power products, display solution products electronic components, industrial automation products and their materials	100	100	
28	DCZ	Chenzhou Delta Technology Co., Ltd. (CDT)	Manufacturing and sales of transformers	100	100	
29	DNH	Delta Networks, Inc. (DNI Cayman)	Equity investments	100	100	
30	DHK/DNI Cayman	Delta Networks (HK) Limited (DNHK)	„	100	100	Note 5
31	DHK	Delta Networks (Dongguan) Ltd. (DII)	Manufacturing and sales of other radio-broadcast receivers and the equipment in relation to broadband access networking system	100	100	
32	Cyntec	Fairview Assets Ltd. (Fairview)	Equity investments	100	100	
33	Fairview	Grandview Holding Ltd. (Grandview)	„	100	100	
34	Grandview	CYNTEC HOLDING (HK) LIMITED (CHK)	„	100	100	
35	„	Cyntec International Ltd. (CIL-Labuan)	Trading	-	100	Note 15

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
36	DHK	Cyntec Electronics (Suzhou) Co., Ltd. (CES)	Manufacturing and sales of electronic components and molds; sales of forgings and powder metallurgy products	100	100	
37	DelBio	DelBio (Wujiang) Co, Ltd	Manufacturing, wholesale and retail of medical equipment	100	100	
38	DIH	DELTA ELECTRONICS (NORWAY) AS	Research, development and sales of power supplies and others	100	100	Note 6
39	"	Delta Controls Inc. (DCI)	Provide solutions to building management and control	100	100	
40	"	DELTA ELECTRONICS HOLDING (USA) INC.	Equity investments	100	100	
41	DELTA ELECTRONICS (NORWAY) AS	ELTEK PAKISTAN (PRIVATE) LIMITED	Sales of power supplies and others	100	100	
42	"	DELTA Electronics (Germany) GmbH	Sales of power supplies and others and system installation	100	100	
43	Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics (Australia) Pty Ltd	"	100	100	
44	DELTA ELECTRONICS (NORWAY) AS, DIH and ELTEK MEA DMCC/DELTA ELECTRONICS (NORWAY) AS	Eltek Egypt for Power Supply S.A.E.	Sales of power supplies and others	100	95	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
45	DELTA ELECTRONICS (NORWAY) AS and DELTA ELECTRONICS (USA) INC.	Eltek SGS Pvt Ltd.	Sales of power supplies and others and system installation	100	100	
46	DELTA ELECTRONICS (NORWAY) AS and Eltek SGS Pvt Ltd.	Eltek SGS Mechanics Pvt Ltd.	Sales of power supplies and others	51	51	
47	DELTA ELECTRONICS (NORWAY) AS	DELTA ELECTRONICS (France) SAS	Sales of power supplies and others and system installation	100	100	
48	"	ELTEK MEA DMCC	Sales of power supplies and others	100	100	
49	"	Eltek Italia S.r.l.	"	-	100	Note 14
50	"	Delta Electronics (Sweden) AB	"	100	100	
51	"	DELTA ELECTRONICS (UK) LTD	"	100	100	
52	"	OOO Eltek	Sales of power supplies and others and system installation	100	100	
53	DELTA Electronics (Germany) GmbH	DELTA Montage GmbH	Installation and maintenance of power supplies	100	100	
54	DEIL-SG	ELTEK POWER INCORPORATED	Sales of power supplies and others	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
55	DEIL-SG	ELTEK POWER CO., LTD.	Sales of power supplies and others	100	100	Note 1
56	"	ELTEK POWER (CAMBODIA) LTD.	"	100	100	
57	"	ELTEK POWER (MALAYSIA) SDN. BHD.	"	100	100	Note 2
58	DELTA ELECTRONICS HOLDING (USA) INC.	DELTA ELECTRONICS (USA) INC.	Manufacturing and sales of power supplies	100	100	
59	DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDING (USA) INC.	DELTA ELECTRONICS (ARGENTINA) S.R.L.	Sales of power supplies and others	100	100	
60	DEN and DELTA ELECTRONICS (USA) INC.	ELTEK SISTEMAS DE ENERGIA INDUSTRIAL E COMERCIO LTDA.	Manufacturing and sales of power supplies	100	100	
61	DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDING (USA) INC.	DELTA ELECTRONICS (PERU) INC. S.R.L.	Sales of power supplies and others	100	100	
62	DELTA ELECTRONICS (USA) INC.	DELTA ELECTRONICS (COLOMBIA) S.A.S.	"	100	100	
63	DELTA ELECTRONICS (USA) INC. and DELTA ELECTRONICS HOLDING (USA) INC.	Eltekenenergy Services, S.A. de C.V.	"	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
64	DAL	Delta Electronics (Americas) Ltd.	Sales of electronic components	100	100	
65	Delta Electronics, Inc. and Cyntec/Cyntec	Power Forest Technology Corporation (Power Forest)	IC design of power management	86.65	99.74	
66	DPEC and DGC	Delta Energy Technology Puhuan (Shanghai) Co., Ltd.	Sales of solar power products, photovoltaic equipment and components, and energy saving management services	100	100	
67	DEIL-SG	Loy Tec electronics GmbH (Loy Tec)	Consulting service of building management and control solutions	100	100	
68	DHK	Delta Electronics (Beijing) Co., Ltd.	Installation of mechanic, electronic, telecommunication and circuit equipment	-	100	Note 12
69	"	Delta Electronics (Xi'an) Co., Ltd.	Sales of computers, peripherals and software	100	100	
70	DIH	Delta Electronics (Switzerland) AG (DECH)	Equity investments, research, development and sales of electronic products	100	100	
71	DEN	Delta Greentech Electronics Industry LLC	Marketing and sales of electronic products	100	100	
72	DEN and DELTA ELECTRONICS (USA) INC.	DELTA GREENTECH (BRASIL) LTDA. (DGB)	Manufacturing and sales of electronic products	100	100	
73	DECH	Delta Electronics (Czech Republic), spol. s.r.o.	Sales of electronic products	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
74	DECH	Delta Electronics (Italy) S.r.l.	Sales of electronic products	100	100	
75	"	Delta Electronics (Poland) Sp. z o.o.	"	100	100	
76	"	Delta Solutions (Finland) Oy	"	100	100	
77	"	Delta Electronics Solutions (Spain) SL	"	100	100	
78	Delta Electronics, Inc.	Vivotek Inc. (Vivotek)	Manufacturing and sales of video compression software and encoding, network video server, webcam and its related components	56.75	56.75	
79	Vivotek	Vivotek Holdings, Inc.	Holding company	100	100	
80	"	Realwin Investment Inc. (Realwin)	A venture capital company	100	100	
81	"	Vivotek Netherlands B.V.	Sales service	100	100	
82	"	Vivotek (Japan) Inc.	"	100	100	
83	Vivotek Holdings, Inc.	Vivotek USA, Inc.	Sales of webcams and related components	100	100	
84	Realwin	Wellstates Investment, LLC	Investment and commercial lease of real estate	100	100	
85	Vivotek	Otus Imaging, Inc.	Sales of webcams and related components	-	100	Note 13
86	Realwin	Aetek Inc.	"	56.21	56.21	
87	"	Lidlight Inc.	Sales of lighting equipment	51	51	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
88	DEN	DELTA ELECTRONICS BRASIL LTDA.	Manufacturing and sales of electronic products	100	100	
89	Delta Electronics, Inc., DEIL-SG and DIH	Delta Electronics (Thailand) Public Company Limited (DET)	Manufacturing and exporting power supplies, other electronic parts and components	63.07	63.78	
90	DET	DET International Holding B.V.	Equity investments	100	100	
91	"	Delta Energy Systems (Singapore) PTE. LTD.	Equity investments, trading, management and consultancy	100	100	
92	"	Delta Green Industrial (Thailand) Co., Ltd.	Integration, sales, trading, installation and providing services of uninterruptible power supply, photovoltaic inverter, electric cars charger and data center	100	100	
93	"	Delta Electronics (Vietnam) Company Limited	Sales of electronic products	100	100	
94	DET and Delta Energy Systems (Singapore) PTE. LTD.	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	Manufacturing and sales of electronic products	100	100	
95	DET International Holding B.V.	DET Logistics (USA) Corporation	Providing logistics services in USA	100	100	
96	"	Delta Energy Systems (Germany) GmbH	Development, marketing and sales of electronic products	100	100	
97	"	Delta Energy Systems (India) Private Ltd.	Marketing and sales of electronic products	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
98	DET International Holding B.V. and Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics (Slovakia) s.r.o.	Manufacturing and sales of power supplies, power system and OEM power system	100	100	
99	DET International Holding B.V.	Delta Energy Systems (Romania) S.R.L.	Research and development	100	100	
100	Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Property rights business	100	100	
101	Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics (Holdings) Australia Pty Ltd	Marketing and sales of renewable energy products	-	100	Note 12
102	//	Delta Electronics India Pvt. Ltd.	Manufacturing and marketing of non-telecom power system and uninterruptible power supply, and sales of uninterruptible power supply	100	100	
103	//	Delta Electronics (Myanmar) Co., Ltd.	Manufacturing of electronic products used in CMP manufacturing process and machinery	100	100	
104	//	Delta Energy Systems (UK) Ltd.	Research and development of electronic products	100	100	
105	//	Delta Greentech (Netherlands) B.V.	Equity investments	100	100	
106	Delta Greentech (Netherlands) B.V.	Delta Energy Systems LLC	Marketing and sales of power systems	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
107	DET International Holding B.V., Delta Greentech (Netherlands) B.V. / Delta Greentech (Netherlands) B.V.	Eltek s.r.o.	Manufacturing of telecom power system	100	100	Note 11
108	DET International Holding B.V. / Delta Greentech (Netherlands) B.V.	Delta Electronics (Automotive) Americas Inc.	Research and development of automotive power and traction inverter	100	100	Note 10
109	DIH/DEN	Amerlux, LLC (Amerlux)	Design and production of dedicated lighting system and facilities	100	100	Note 8
110	Amerlux	Amerlux Lighting Asia, LLC	Equity investments	100	100	
111	Amerlux Lighting Asia, LLC	Amerlux Lighting Hong Kong Limited	"	100	100	
112	Amerlux Lighting Hong Kong Limited	Guangzhou Amerlux Lighting Solutions Company Limited	Wholesale of lighting fixture and decorative objects	100	100	
113	DIH	Digital Projection International Ltd. (DPI)	Equity investments	100	100	
114	DPI	Digital Projection Holdings Limited	"	100	100	
115	Digital Projection Holdings Limited	Digital Projection Limited	Research, development and sales of projector products	100	100	
116	Digital Projection Limited	Digital Projection Inc.	Sales of projector products	100	100	
117	DIH/DEN	Trihedral Engineering Limited (Trihedral)	Graphic control software and related engineering services	100	100	Note 4

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
118	Trihedral	Trihedral Inc.	Graphic control software and related engineering services	100	100	
119	"	Trihedral UK Limited	"	100	100	
120	DIH	March Networks Holdings Ltd.	Equity investments	100	100	
121	March Networks Holdings Ltd.	March Networks Corporation	Security surveillance software and hardware and related engineering services	100	100	
122	March Networks Corporation	March Networks, Inc.	"	100	100	
123	"	March Networks de Mexico, S.A.de C.V.	"	100	100	
124	"	March Networks (Australia) Pty Limited	"	100	100	
125	"	March Networks Limited	"	100	100	
126	"	March Networks (Singapore) Pte. Limited	"	100	100	
127	"	March Networks B.V.	"	100	100	
128	March Networks B.V.	March Networks S.r.l.	"	100	100	
129	"	March Networks (France) SAS	"	100	100	
130	DHK	Delta Electronics (Chongqing) Ltd.	Manufacturing electronic parts of new energy vehicles and parts for power of electronic equipment	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
131	Delta Electronics, Inc.	Delmind Inc. (Delmind)	Provide vertical add-on value solution	70	70	
132	Delta Electronics, Inc. and DECC	Ancora Semiconductors Inc. (Ancora)	Gallium Nitride (GaN) technologies and solutions	74.28	74.28	
133	DIH	UI Acquisition Holding Co.	Equity investments	100	100	
134	UI Acquisition Holding Co.	UI Holding Co.	//	100	100	
135	UI Holding Co.	Universal Instruments Corporation	Precision automation solutions	100	100	
136	//	Hover-Davis, Inc.	//	100	100	
137	UI Acquisition Holding Co. and UI Holding Co.	UI European Holdco. Cooperatief U.A.	Equity investments	100	100	
138	UI European Holdco. Cooperatief U.A.	Universal Instruments (Hong Kong) Limited	Precision automation solutions	100	100	
139	//	Universal Instruments s.r.o.	//	100	100	
140	//	Universal Instruments Mfg. (Shenzhen) Co. Ltd.	//	100	100	
141	UI Holding Co. and UI European Holdco. Cooperatief U.A.	Universal Instrument de Mexico S.A. de C.V	//	100	100	
142	DELTA ELECTRONICS (NORWAY) AS	Graterudveien 8 AS	Property rights business	100	100	
143	March Networks S.r.l.	March Networks Poland Sp. Z o.o.	Research and development on business intelligence applications	100	100	

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
144	Delta Electronics, Inc.	Atrust Computer Corporation (Atrust)	Research development, manufacturing and sales of Thin Client, Zero Client, server and management software	55.02	-	Note 3
145	Atrust	APLUS COMPUTER (SAMOA) COMPANY LIMITED	Equity investments	100	-	Note 3
146	APLUS COMPUTER (SAMOA) COMPANY LIMITED	Atrust Japan Corporation	Provide supporting services	100	-	Note 3
147	"	Atrust Computer Corporation	"	100	-	Note 3
148	Delta Electronics, Inc.	Delta Energy Inc. (Delta Energy)	Providing energy technology services	100	-	Note 3
149	DET International Holding B.V.	Delta Electronics (Hungary) Kft.	Manufacturing of automotive and electronic products	100	-	Note 3
150	DIH	HY&T Investments Holding B.V.	Equity investments	100	-	Note 3
151	HY&T Investments Holding B.V.	TB&C Investments B.V.	"	100	-	Note 3
152	TB&C Investments Holding B.V.	TB&C Holding GmbH	"	100	-	Note 3
153	TB&C Holding GmbH	TB&C Outsert Center GmbH	Manufacturing and sales of Electric Vehicle (EV) components	100	-	Note 3
154	"	TB&C Technology GmbH	Technology service, research, development, and consultation of EV components	100	-	Note 3

No.	Name of Investor	Name of Subsidiary	Main Business Activities	Ownership (%)		Description
				December 31, 2023	December 31, 2022	
155	TB&C Holding GmbH	TB&C Outsert International B.V.	Equity investments	100	-	Note 3
156	TB&C Outsert International B.V.	TB&C Outsert Romania SRL	Manufacturing and sales of automobile components	100	-	Note 3
157	TB&C Outsert International B.V. and TB&C Holding GmbH	TB&C Outsert Mexico, S. De R.L. DE C.V.	„	100	-	Note 3
158	TB&C Outsert Mexico, S. De R.L. DE C.V. and TB&C Outsert International B.V.	TB&C Outsert Servicios, S. DE R.L. DE C.V.	Technology service	100	-	Note 3

Note 1: 55% of shares are held through others due to local regulations.

Note 2: 71% of shares are held through others due to local regulations.

Note 3: The company was established or acquired through merger during 2023.

Note 4: In March 2023, Delta International Holding Limited B.V. acquired a 100% equity interest in Delta America Ltd. and Trihedral Engineering Limited from Delta Electronics (Netherlands) B.V.

Note 5: In December 2023, Delta Electronics (H.K.) Ltd. acquired a 100% equity interest in Delta Networks (HK) Limited (DNHK) from Delta Networks, Inc.

Note 6: Formerly named ELTEK AS was renamed as DELTA ELECTRONICS (NORWAY) AS.

Note 7: In June 2023, Boom Treasure Limited issued new shares to Delta Electronics (Netherlands) B.V. to acquire its 100% equity interest held in Delta Greentech SGP Pte. Ltd.

Note 8: In May 2023, Delta International Holding Limited B.V. acquired a 100% equity interest in Amerlux, LLC from Delta Electronics (Netherlands) B.V.

Note 9: In July 2023, Drake Investment (HK) Limited issued new shares to Delta Electronics (Netherlands) B.V. to acquire its 100% equity interest held in Boom Treasure Limited.

Note 10: In December 2023, DET International Holding B.V. acquired a 100% equity interest in Delta Electronics (Automotive) Americas Inc. from Delta Greentech (Netherlands) B.V.

Note 11: In October 2023, DET International Holding B.V. acquired a 55% equity interest in Eltek s.r.o. from Delta Greentech (Netherlands) B.V.

Note 12: This company had been liquidated in December 2023.

Note 13: The investor disposed the subsidiary in March 2023 and had no control over

the subsidiary.

Note 14: This company had been liquidated in January 2023.

Note 15: This company had been liquidated in March 2023.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

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

As at December 31, 2023, and 2022, the non-controlling interest amounted to \$43,571,715 and \$38,578,278, respectively. The information on non-controlling interest and respective subsidiary is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest			
		December 31, 2023		December 31, 2022	
		Amount	Ownership (%)	Amount	Ownership (%)
Vivotek Inc. (Vivotek)	Taiwan	\$ 3,458,667	43.25%	\$ 3,498,166	43.25%
Delta Electronics (Thailand) Public Company limited (DET)	Thailand	38,336,796	36.93%	33,992,121	36.22%

Summarised financial information of the subsidiary:

Balance sheets

	DET	
	December 31, 2023	December 31, 2022
Current assets	\$ 68,137,815	\$ 59,033,050
Non-current assets	72,623,607	67,524,042
Current liabilities	( 32,619,488)	( 29,209,851)
Non-current liabilities	( 3,995,338)	( 3,250,195)
Total net assets	<u>\$ 104,146,596</u>	<u>\$ 94,097,046</u>

  

	Vivotek	
	December 31, 2023	December 31, 2022
Current assets	\$ 4,959,511	\$ 5,703,205
Non-current assets	5,735,945	5,772,970
Current liabilities	( 2,581,764)	( 3,187,495)
Non-current liabilities	( 207,424)	( 290,286)
Total net assets	<u>\$ 7,906,268</u>	<u>\$ 7,998,394</u>

### Statements of comprehensive income

	DET	
	Years ended December 31,	
	2023	2022
Revenue	\$ 130,478,347	\$ 100,321,381
Profit before income tax	15,789,049	11,859,169
Income tax expense	( 956,644)	( 395,121)
Profit for the year from continuing operations	14,832,405	11,464,048
Other comprehensive (loss) income, net of tax	( 511,875)	43,546
Total comprehensive income for the year	\$ 14,320,530	\$ 11,507,594
Comprehensive income attributable to non-controlling interest	\$ 5,288,581	\$ 4,168,051
Dividends paid to non-controlling interest	\$ 1,638,594	\$ 665,450

	Vivotek	
	Years ended December 31,	
	2023	2022
Revenue	\$ 9,162,423	\$ 9,948,137
Profit before income tax	470,531	670,108
Income tax expense	( 64,160)	( 99,414)
Profit for the year from continuing operations	406,371	570,694
Other comprehensive (loss) income, net of tax	( 1,354)	43,461
Total comprehensive income for the year	\$ 405,017	\$ 614,155
Comprehensive income attributable to non-controlling interest	\$ 189,099	\$ 284,074
Dividends paid to non-controlling interest	\$ 205,923	\$ 52,962

### Statements of cash flows

	DET	
	Years ended December 31,	
	2023	2022
Net cash provided by operating activities	\$ 11,867,200	\$ 11,210,412
Net cash used in investing activities	( 10,700,105)	( 6,435,011)
Net cash used in financing activities	( 3,121,772)	( 2,046,929)
Effect of exchange rates on cash and cash equivalents	( 245,025)	885,268
(Decrease) increase in cash and cash equivalents	( 2,199,702)	3,613,740
Cash and cash equivalents, beginning of year	9,068,141	5,454,401
Cash and cash equivalents, end of year	\$ 6,868,439	\$ 9,068,141

	Vivotek	
	Years ended December 31,	
	2023	2022
Net cash provided by operating activities	\$ 1,639,662	\$ 468,397
Net cash used in investing activities	( 34,059)	( 74,282)
Net cash used in financing activities	( 427,765)	( 379,826)
Effect of exchange rates on cash and cash equivalents	( 1,591)	35,636
Increase in cash and cash equivalents	1,176,247	49,925
Cash and cash equivalents, beginning of year	1,044,823	994,898
Cash and cash equivalents, end of year	<u>\$ 2,221,070</u>	<u>\$ 1,044,823</u>

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise, except when deferred in other comprehensive income as qualifying cash flow hedges.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss as part of the fair value gain or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All other foreign exchange gains and losses are presented in the statement of comprehensive income within other gains and losses.

## B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
  - iii. All resulting exchange differences are recognised in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate or joint arrangements, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even the Group still retains partial interest in the former foreign associate or joint arrangements after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangements, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.
- (d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

### (5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
  - (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- (a) Liabilities that are expected to be paid off within the normal operating cycle;
- (b) Liabilities arising mainly from trading activities;
- (c) Liabilities that are to be paid off within twelve months from the balance sheet date;
- (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income. Financial assets at amortised cost or fair value through other comprehensive income are designated as at fair value through profit or loss at initial recognition when they eliminate or significantly reduce a measurement or recognition inconsistency.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.
- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. Financial assets at fair value through other comprehensive income are initially recognised at fair

value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortised cost

A. Financial assets at amortised cost are those that meet all of the following criteria:

- (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
- (b) The assets' contractual cash flows represent solely payments of principal and interest.

B. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in profit or loss.

(11) Impairment of financial assets

For financial assets at amortised cost and accounts receivable or contract assets that have a significant financing component, at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred and, the Group has not retained control of the financial asset.

(13) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of finished goods and

work in process comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity); however, borrowing costs are excluded. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(14) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(15) Investments accounted for under the equity method

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of loss in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in associates' equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises the Group's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are consistent with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

(16) Cash surrender value of life insurance

Premium paid for life insurance with saving nature belonging to cash surrender value is recognised as a deduction to insurance premium expense in current period and is added to the carrying amount of cash surrender value.

(17) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are 2~15 years except for buildings, the estimated life of which is 5~55 years.

(18) Leasing arrangements (lessee) – right-of-use assets/lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments

are fixed payments, less any lease incentives receivable. The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

- (a) The amount of the initial measurement of lease liability; and
- (b) Any lease payments made at or before the commencement date.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(19) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model.

(20) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method. Acquisition prices in the business combination are calculated by the price of acquisition plus related direct costs. Goodwill is recognised at the difference of the acquisition prices less net fair value of identifiable assets acquired. The amortisation duration of acquisition prices may not exceed one year after the acquisition.

B. Trademarks

- (a) Separately acquired trademarks with finite useful lives are stated at acquisition cost and are amortised on a straight-line basis over their estimated useful lives.
- (b) Certain trademarks which are assessed to generate net cash inflows and have indefinite useful lives are recorded at actual cost. These are not amortised and instead, are tested for impairment annually.

C. Intangible assets other than goodwill and trademarks, mainly computer software, patents, customer relationship and technology authorisation fees, are amortised on a straight-line basis over the following: Economic useful life or contract term for computer software and patents; economic useful life for customer relationship; useful life for patent use rights or contract term for technology authorisation fees.

(21) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by

which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value-in-use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

- B. The recoverable amounts of goodwill, intangible assets with an indefinite useful life and intangible assets that have not yet been available for use are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

#### (22) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

#### (23) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. However, for short-term accounts payable without bearing interest, as the effect of discounting is insignificant, they are measured subsequently at original invoice amount.

#### (24) Financial liabilities at fair value through profit or loss

- A. Derivatives are categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

#### (25) Bonds payable

Ordinary corporate bonds issued by the Group are initially recognised at fair value less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is presented as an addition to or deduction from bonds payable, which is amortised to profit or loss over the period of bond circulation using the effective interest method as an adjustment to 'finance costs'.

(26) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(27) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(28) Non-hedging and embedded derivatives

- A. Non-hedging derivatives are initially recognised at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognised in profit or loss.
- B. Under the financial assets, the hybrid contracts embedded with derivatives are initially recognised as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial assets at amortised cost based on the contract terms.
- C. Under the non-financial assets, whether the hybrid contracts embedded with derivatives are accounted for separately at initial recognition is based on whether the economic characteristics and risks of an embedded derivative are closely related in the host contract. When they are closely related, the entire hybrid instrument is accounted for by its nature in accordance with the applicable standard. When they are not closely related, the derivative is accounted for differently from the host contract as derivative while the host contract is accounted for by its nature in accordance with the applicable standard. Alternatively, the entire hybrid instrument is designated as financial liabilities at fair value through profit or loss upon initial recognition.

(29) Hedge accounting

- A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.
- B. The Group has designated its hedging relationship as
  - (a) Cash flow hedge: a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.
  - (b) Hedges of net investments in foreign operations.

### C. Cash flow hedges

- (a) The cash flow hedge reserve associated with the hedged item is adjusted to the lower of the following (in absolute amounts):
  - i. The cumulative gain or loss on the hedging instrument from inception of the hedge; and
  - ii. The cumulative change in fair value of the hedged item from inception of the hedge.
- (b) The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income. The gain or loss on the hedging instrument relating to the ineffective portion is recognised in profit or loss.
- (c) The amount that has been accumulated in the cash flow hedge reserve in accordance with (a) is accounted for as follows:
  - i. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Group shall remove that amount from the cash flow hedge reserve and include it directly in the initial cost or other carrying amount of the asset or liability.
  - ii. For cash flow hedges other than those covered by i. above, that amount shall be reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.
  - iii. If that amount is a loss and the Group expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.
- (d) When the hedging instrument expires, or is sold, terminated, exercised or when the hedging relationship ceases to meet the qualifying criteria, if the forecast transaction is still expected to occur, the amount that has been accumulated in the cash flow hedge reserve shall remain in the cash flow hedge reserve until the forecast transaction occurs; if the forecast transaction is no longer expected to occur, the amount shall be immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

### D. Hedges of net investments in foreign operations

- (a) The hedges are handled similarly to cash flow hedges.
- (b) The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income. The ineffective portion is recognised in profit or loss.
- (c) When dispose or partially dispose of foreign operations, the cumulative gain or loss on the hedging instrument relating to the effective portion of the hedge that has been accumulated in the foreign currency translation reserve shall be reclassified from equity to profit or loss as a reclassification adjustment.

(30) Employee benefits

A. Pensions

(a) Defined contribution plan

Under the defined contribution plan, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.
- ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognised immediately in profit or loss.

B. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employees' compensation is distributed by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(31) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-market vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(32) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.
- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

(33) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(34) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities.

(35) Revenue recognition

A. Sales of goods

- (a) The Group manufactures and sells power supply of computers, information technology, vehicles and electrical machines, automation equipment and related components products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- (b) Sales revenue is recognised based on the price specified in the contract, net of the estimated discounts and allowances. Accumulated experience is used to estimate and provide for the sales discounts and allowances, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognised for expected sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. Sales are usually made with a credit term of 30 to 90 days after acceptance. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Group does not adjust the transaction price to reflect the time value of money.
- (c) The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.
- (d) A receivable is recognised when the control of goods are transferred as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Installation of software and module services

- (a) The Group provides installation of some software and module services. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual cost spent relative to the total expected cost. The customer pays at the time specified in the payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a

contract liability is recognised.

- (b) Some contracts include sales and installation services of equipment. The equipment and the installation services provided by the Group are not distinct and are identified to be one performance obligation satisfied over time since the installation services involve significant customisation and modification.
- (c) The Group's estimate about revenue, costs and progress towards complete satisfaction of a performance obligation is subject to a revision whenever there is a change in circumstances. Any increase or decrease in revenue or costs due to an estimate revision is reflected in profit or loss during the period when the management becomes aware of the changes in circumstances.

C. Incremental costs of obtaining a contract

Given that the contractual period lasts less than one year, the Group recognises the incremental costs of obtaining a contract as an expense when incurred although the Group expects to recover those costs.

(36) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant and equipment are presented by deducting the grants from the asset's carrying amount and are amortised to profit or loss over the estimated useful lives of the related assets as reduced depreciation expenses.

(37) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the

acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(38) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgments in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgments in applying the Group's accounting policies

Investment property

The Group uses part of the property for its own use and part to earn rentals or for capital appreciation. When the portions cannot be sold separately and cannot be leased out separately under a finance lease, the property is classified as investment property only if the own-use portion accounts for less than 20 percent of the property.

(2) Critical accounting estimates and assumptions

Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgment, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Please refer to Note 6(9) for the information on goodwill impairment.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand	\$ 6,923	\$ 6,746
Checking accounts and demand deposits	55,502,675	45,250,071
Time deposits	31,768,600	16,044,200
Cash equivalents	177,718	245,819
	<u>\$ 87,455,916</u>	<u>\$ 61,546,836</u>

- A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

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

Asset Items	December 31, 2023	December 31, 2022
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 1,638,877	\$ 618,669
Emerging stocks	186,267	71,748
Derivatives	576,526	605,847
Hybrid instrument- Convertible bonds	90,856	45,009
	2,492,526	1,341,273
Valuation adjustment	2,411,548	418,339
	\$ 4,904,074	\$ 1,759,612
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Listed stocks	\$ 292,902	\$ 340,756
Emerging stocks	65,280	222,000
Unlisted stocks	1,425,624	1,521,372
Hybrid instrument- Convertible preferred stocks	197,148	209,577
Hybrid instrument- Convertible bonds	13,449	913,449
	1,994,403	3,207,154
Valuation adjustment	( 627,028)	( 435,527)
	\$ 1,367,375	\$ 2,771,627
Liability Items		
Current items:		
Financial liabilities held for trading		
Derivatives	\$ 54,410	\$ 74,232

- A. The Group has recognised the gain from financial assets and liabilities at fair value of \$1,891,458 and \$845,835 for the years ended December 31, 2023 and 2022, respectively.

B. Details of the transactions and contract information in respect of derivative financial assets and liabilities for which the Group did not adopt hedge accounting are as follows:

December 31, 2023			
Financial instruments	Contract amount (nominal principal) (in thousands)		Contract period
Forward exchange contracts:			
- Sell AUD / Buy USD	AUD	10,250	2023.09.05~2024.06.21
- Sell BRL / Buy USD	BRL	24,635	2023.11.06~2024.02.07
- Sell EUR / Buy NOK	EUR	10,500	2023.12.22~2024.03.26
- Sell EUR / Buy USD	EUR	38,500	2023.06.15~2024.03.28
- Sell HKD / Buy USD	HKD	87,000	2023.08.04~2024.08.29
- Sell INR / Buy USD	INR	834,178	2023.10.16~2024.02.27
- Sell JPY / Buy USD	JPY	3,210,000	2023.07.14~2024.07.24
- Sell THB / Buy EUR	THB	76,278	2023.12.18~2024.01.25
- Sell THB / Buy JPY	THB	126,828	2023.10.30~2024.02.27
- Sell USD / Buy CZK	USD	1,100	2023.11.30~2024.02.21
- Sell USD / Buy EUR	USD	8,129	2023.11.28~2024.02.07
- Sell USD / Buy NOK	USD	6,000	2023.11.13~2024.02.07
- Sell USD / Buy RMB	USD	205,000	2023.11.16~2024.02.05
- Sell USD / Buy SGD	USD	30,633	2023.11.30~2024.02.06
- Sell USD / Buy THB	USD	420,500	2023.09.07~2024.04.29
- Sell USD / Buy CHF	USD	3,000	2023.12.13~2024.04.03
- Sell SGD / Buy USD	SGD	11,000	2023.10.30~2024.01.11
Cross currency swap:			
- Sell EUR / Buy NOK	EUR	16,200	2023.12.06~2024.03.26
- Sell PLN / Buy NOK	PLN	5,500	2023.12.22~2024.03.26

December 31, 2022			
Financial instruments	Contract amount (nominal principal) (in thousands)		Contract period
Forward exchange contracts:			
- Sell AUD / Buy USD	AUD	4,900	2022.08.16~2023.05.04
- Sell BRL / Buy USD	BRL	42,245	2022.11.01~2023.02.06
- Sell COP / Buy USD	COP	12,418,840	2022.11.01~2023.02.06
- Sell EUR / Buy NOK	EUR	20,700	2022.09.19~2023.05.05
- Sell EUR / Buy USD	EUR	39,300	2022.09.06~2023.03.29
- Sell GBP / Buy NOK	GBP	4,000	2022.11.22~2023.02.06
- Sell HKD / Buy USD	HKD	15,000	2022.08.16~2023.03.03
- Sell INR / Buy USD	INR	1,861,085	2022.10.18~2023.03.29
- Sell JPY / Buy USD	JPY	753,957	2022.08.19~2023.03.22
- Sell SEK / Buy NOK	SEK	20,000	2022.12.28~2023.03.29
- Sell THB / Buy JPY	THB	75,464	2022.10.26~2023.03.24

December 31, 2022

Financial instruments	Contract amount (nominal principal) (in thousands)		Contract period
- Sell TRY / Buy USD	TRY	135,836	2022.10.13~2023.03.30
- Sell TWD / Buy USD	TWD	147,375	2022.07.21~2023.01.18
- Sell USD / Buy CZK	USD	400	2022.12.19~2023.01.18
- Sell USD / Buy NOK	USD	2,111	2022.12.12~2023.03.06
- Sell USD / Buy RMB	USD	179,000	2022.11.24~2023.02.06
- Sell USD / Buy SGD	USD	41,649	2022.09.12~2023.06.05
- Sell USD / Buy THB	USD	358,000	2022.09.12~2023.04.25
- Sell USD / Buy TWD	USD	10,000	2022.11.29~2023.03.17
Cross currency swap:			
- Sell EUR / Buy NOK	EUR	13,000	2022.12.21~2023.03.30
- Sell PLN / Buy NOK	PLN	8,500	2022.12.21~2023.03.30

The Group entered into forward exchange contracts and cross currency swap to manage exposures to foreign exchange rate fluctuations of import or export sales, loans between related parties and dividend distribution within the Group. However, the forward exchange transactions did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

C. The Group has no financial assets at fair value through profit or loss pledged to others.

D. Information relating to credit risk is provided in Note 12(2).

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

Items	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments		
Listed stocks	\$ 1,608,699	\$ 1,608,699
Unlisted stocks	1,082,261	714,532
	<u>2,690,960</u>	<u>2,323,231</u>
Valuation adjustment	( 695,930)	( 582,678)
	<u>\$ 1,995,030</u>	<u>\$ 1,740,553</u>

A. The Group has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$1,995,030 and \$1,740,553 as at December 31, 2023 and 2022, respectively.

B. During the years ended December 31, 2023 and 2022, the Group disposed certain investments that no longer have strategic purposes. Stocks totalling \$554,179 and \$81,320 were sold at fair value, resulting to a cumulative gain on disposal of \$464,305 and \$9,874 for the years ended December 31, 2023 and 2022.

C. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Years ended December 31,	
	2023	2022
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 352,641	\$ 217,848
Cumulative gain reclassified to retained earnings due to derecognition	\$ 464,305	\$ 9,874

D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group were \$1,995,030 and \$1,740,553, respectively.

E. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.

(4) Hedging financial assets and liabilities

The Group used Euro denominated demand deposits as a hedging instrument to hedge the highly probable foreign exchange variation of Euro denominated investment payable which is expected to occur in the future, and the instrument adopted the accounting of cash flow hedges. The portion of changes in the hedging instrument caused by exchange rate risk that was determined to be an effective hedge was deferred and recognised as gain or loss on the hedging instrument under other equity items. Subsequently, when the probable purchase transaction of hedged investments occurred, and the proceeds of Euro denominated investment payable were paid by hedging instruments, the gain or loss on the hedging instrument under other equity items was reclassified to the initial cost of long-term equity investments. The aforementioned transaction was completed on the balance sheet date. At December 31, 2023 and 2022, the Group's hedging financial assets and liabilities are both \$0. Related transaction information is as follows:

A. Other equity - cash flow hedge reserve:

	<u>2023</u>
At January 1	\$ -
Add: Gain on hedge effectiveness-amount recognised in other comprehensive income	170,271
Less: Reclassified to long-term investment due to the occurrence of hedged probable transaction	( 170,271)
At December 31	<u>\$ -</u>

B. Information on cash flow hedges and hedges of net investments in foreign operations recognised in profit or loss and other comprehensive income:

	Years ended December 31,	
	2023	2022
<u>Other equity</u>		
At January 1	\$ 129,917	\$ 129,917
Add: Loss on hedge effectiveness-amount recognised in other comprehensive income	-	-
At December 31	<u>\$ 129,917</u>	<u>\$ 129,917</u>

(a) The purpose of hedge accounting is that the hedged highly probable forecast transactions denominated in foreign currency are expected to occur, which are recycled into profit or loss in the period or periods when the hedged item affects profit or loss.

(b) Hedges of net investments in foreign operations

In the first quarter of 2018, due to the reorganisation of the Group, the risk of USD exchange rate fluctuating by fair value initially designated as hedged items of hedges of net investments in foreign operations was no longer material. Consequently, the hedge relationship did not meet the conditions of hedge accounting. The effective portion of hedges of net investments in foreign operations was accumulated in other equity previously. Since the foreign operations was not disposed, it was not reclassified from equity to profit or loss.

(5) Notes and accounts receivable

	December 31, 2023	December 31, 2022
Notes receivable	<u>\$ 2,245,939</u>	<u>\$ 3,123,642</u>
Accounts receivable	\$ 77,760,524	\$ 84,577,637
Less: Allowance for uncollectible accounts	( 632,601)	( 503,568)
	<u>\$ 77,127,923</u>	<u>\$ 84,074,069</u>
Overdue receivables (shown as other non-current assets)	\$ 264,991	\$ 293,877
Less: Allowance for uncollectible accounts	( 264,991)	( 293,877)
	<u>\$ -</u>	<u>\$ -</u>

A. The aging analysis of accounts receivable is as follows:

	December 31, 2023	December 31, 2022
Not past due	\$ 65,274,347	\$ 73,676,921
1 to 90 days	11,479,401	9,781,373
91 to 180 days	454,029	687,649
181 to 365 days	324,169	213,655
Over 366 days	228,578	218,039
	<u>\$ 77,760,524</u>	<u>\$ 84,577,637</u>

The above aging analysis was based on past due date.

B. As at December 31, 2023 and 2022, there was no notes receivable past due.

C. As at December 31, 2023 and 2022, accounts receivable and notes receivable were all from

contracts with customers. As at January 1, 2022, the balance of receivables from contracts with customers amounted to \$70,857,010.

D. Details of the Group's accounts receivable pledged to others as collateral are provided in Note 8. The Group has no notes receivable and accounts receivable pledged to others as collateral in 2022.

E. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable were \$2,245,939 and \$3,123,642, and accounts receivable were \$77,127,923 and \$84,074,069, respectively.

F. Information relating to credit risk is provided in Note 12(2).

(6) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 36,687,320	(\$ 10,486,228)	\$ 26,201,092
Work in process	7,957,085	( 36,879)	7,920,206
Finished goods	49,000,191	( 7,940,644)	41,059,547
Inventory in transit	1,045,717	-	1,045,717
	<u>\$ 94,690,313</u>	<u>(\$ 18,463,751)</u>	<u>\$ 76,226,562</u>
	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 38,320,991	(\$ 7,474,693)	\$ 30,846,298
Work in process	8,284,302	( 14,298)	8,270,004
Finished goods	45,601,495	( 5,520,193)	40,081,302
Inventory in transit	646,760	-	646,760
	<u>\$ 92,853,548</u>	<u>(\$ 13,009,184)</u>	<u>\$ 79,844,364</u>

The cost of inventories recognised as expense or loss for the year:

	Years ended December 31,	
	2023	2022
Cost of goods sold	\$ 266,817,661	\$ 260,877,806
Loss on market value decline and obsolete and slow-moving inventories	7,939,420	5,845,899
Others	( 1,218,083)	( 931,623)
	<u>\$ 273,538,998</u>	<u>\$ 265,792,082</u>

(7) Property, plant and equipment

	<u>Land</u>	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Testing equipment</u>	<u>Others</u>	<u>Unfinished construction and equipment under acceptance</u>	<u>Total</u>
<u>At January 1, 2023</u>							
Cost	\$ 16,093,942	\$ 55,651,841	\$ 61,671,200	\$ 22,998,550	\$ 23,840,987	\$ 9,853,136	\$ 190,109,656
Accumulated depreciation and impairment	( 10,036)	( 25,212,383)	( 41,448,111)	( 17,897,282)	( 19,275,257)	-	( 103,843,069)
	<u>\$ 16,083,906</u>	<u>\$ 30,439,458</u>	<u>\$ 20,223,089</u>	<u>\$ 5,101,268</u>	<u>\$ 4,565,730</u>	<u>\$ 9,853,136</u>	<u>\$ 86,266,587</u>
<u>2023</u>							
Opening net book amount	\$ 16,083,906	\$ 30,439,458	\$ 20,223,089	\$ 5,101,268	\$ 4,565,730	\$ 9,853,136	\$ 86,266,587
Additions (Note)	248,067	916,896	7,836,365	4,472,820	2,850,447	11,491,561	27,816,156
Acquired through business combinations	7,765	22,860	479,485	432	93,077	83,654	687,273
Effect on decrease in business entities	-	-	-	-	( 547)	-	( 547)
Disposals	( 3,501)	( 110,663)	( 81,784)	( 16,332)	( 36,422)	-	( 248,702)
Transfers/Reclassifications	17,244	3,912,532	2,562,187	286,689	991,647	( 7,138,948)	631,351
Depreciation charge	-	( 2,360,866)	( 8,780,163)	( 2,871,402)	( 2,739,479)	-	( 16,751,910)
Impairment loss	-	( 70,300)	( 82)	( 931)	( 21,582)	-	( 92,895)
Net exchange differences	( 3,007)	( 75,111)	( 134,807)	7,404	( 24,904)	( 75,373)	( 305,798)
Closing net book amount	<u>\$ 16,350,474</u>	<u>\$ 32,674,806</u>	<u>\$ 22,104,290</u>	<u>\$ 6,979,948</u>	<u>\$ 5,677,967</u>	<u>\$ 14,214,030</u>	<u>\$ 98,001,515</u>
<u>At December 31, 2023</u>							
Cost	\$ 16,359,854	\$ 59,458,670	\$ 68,980,995	\$ 26,429,240	\$ 26,576,440	\$ 14,214,030	\$ 212,019,229
Accumulated depreciation and impairment	( 9,380)	( 26,783,864)	( 46,876,705)	( 19,449,292)	( 20,898,473)	-	( 114,017,714)
	<u>\$ 16,350,474</u>	<u>\$ 32,674,806</u>	<u>\$ 22,104,290</u>	<u>\$ 6,979,948</u>	<u>\$ 5,677,967</u>	<u>\$ 14,214,030</u>	<u>\$ 98,001,515</u>

Note: The additions were net of government grants.

	Land	Buildings and structures	Machinery and equipment	Testing equipment	Others	Unfinished construction and equipment under acceptance	Total
<u>At January 1, 2022</u>							
Cost	\$ 15,139,283	\$ 51,485,311	\$ 52,261,356	\$ 19,872,926	\$ 21,356,997	\$ 8,264,905	\$ 168,380,778
Accumulated depreciation and impairment	( 10,395)	( 23,378,205)	( 35,386,205)	( 15,840,483)	( 17,158,205)	-	( 91,773,493)
	<u>\$ 15,128,888</u>	<u>\$ 28,107,106</u>	<u>\$ 16,875,151</u>	<u>\$ 4,032,443</u>	<u>\$ 4,198,792</u>	<u>\$ 8,264,905</u>	<u>\$ 76,607,285</u>
<u>2022</u>							
Opening net book amount	\$ 15,128,888	\$ 28,107,106	\$ 16,875,151	\$ 4,032,443	\$ 4,198,792	\$ 8,264,905	\$ 76,607,285
Additions (Note 1)	728,890	2,613,545	7,526,107	3,035,324	2,233,398	5,675,359	21,812,623
Acquired through business combinations	14,227	79,127	47,243	-	2,763	-	143,360
Disposals	( 75,929)	( 168,650)	( 110,935)	( 25,006)	( 36,538)	-	( 417,058)
Transfers (Note 2)	( 23,364)	1,250,412	2,402,469	399,584	565,318	( 4,273,868)	320,551
Depreciation charge	-	( 2,172,418)	( 7,119,721)	( 2,470,087)	( 2,575,656)	-	( 14,337,882)
Net exchange differences	311,194	730,336	602,775	129,010	177,653	186,740	2,137,708
Closing net book amount	<u>\$ 16,083,906</u>	<u>\$ 30,439,458</u>	<u>\$ 20,223,089</u>	<u>\$ 5,101,268</u>	<u>\$ 4,565,730</u>	<u>\$ 9,853,136</u>	<u>\$ 86,266,587</u>
<u>At December 31, 2022</u>							
Cost	\$ 16,093,942	\$ 55,651,841	\$ 61,671,200	\$ 22,998,550	\$ 23,840,987	\$ 9,853,136	\$ 190,109,656
Accumulated depreciation and impairment	( 10,036)	( 25,212,383)	( 41,448,111)	( 17,897,282)	( 19,275,257)	-	( 103,843,069)
	<u>\$ 16,083,906</u>	<u>\$ 30,439,458</u>	<u>\$ 20,223,089</u>	<u>\$ 5,101,268</u>	<u>\$ 4,565,730</u>	<u>\$ 9,853,136</u>	<u>\$ 86,266,587</u>

Note: 1. The additions were net of government grants.

2. On October 1, 2021, the Board of Directors resolved to dispose a number of battery cell assembly equipment and transferred the equipment amounting to \$320,551 to non-current assets held for sale at the lower of carrying amount and fair value less costs to sell. However, the equipment was transferred back from assets held for sale as the Company and the buyer both agreed to terminate the contract for the disposal of the equipment on March 31, 2022.

A. The Group's property, plant and equipment are mainly owner-occupied.

B. No interest expense was capitalised as part of property, plant and equipment.

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

(8) Leasing arrangements - lessee

A. The Group leases various assets including land, buildings and transportation equipment. Rental contracts are typically made for periods of 1 to 21 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
	<u>Book value</u>	<u>Book value</u>
Land	\$ 2,141,138	\$ 2,842,408
Buildings and structures	2,310,912	2,064,549
Transportation equipment	136,158	117,174
Other equipment	246,677	62,192
	<u>\$ 4,834,885</u>	<u>\$ 5,086,323</u>
	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land	\$ 67,570	\$ 52,457
Buildings and structures	640,555	543,859
Transportation equipment	79,229	66,103
Other equipment	37,804	19,942
	<u>\$ 825,158</u>	<u>\$ 682,361</u>

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets (excluding those acquired through business combinations) were \$632,355 and \$2,320,655 (net of government grants of \$637,890), respectively.

D. Information on profit or loss in relation to lease contracts is as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	<u>\$ 40,712</u>	<u>\$ 21,252</u>
Expense on short-term lease contracts	<u>\$ 777,920</u>	<u>\$ 659,649</u>

E. For the years ended December 31, 2023 and 2022, the Group's total cash outflow for leases were \$1,634,786 and \$2,621,066, respectively.

F. Extension options

(a) Extension options are included in the Group's lease contracts pertaining to certain land. These terms and conditions are the lessor's general practice and for the Group to effectively utilise the assets.

(b) In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

(9) Intangible assets

	<u>Trademarks</u>	<u>Patents</u>	<u>Goodwill</u>	<u>Customer Relationship</u>	<u>Technical Skill</u>	<u>Others</u>	<u>Total</u>
<u>At January 1, 2023</u>							
Cost	\$ 4,307,832	\$ 1,829,078	\$ 60,126,073	\$ 19,451,343	\$ 13,277,950	\$ 4,001,160	\$ 102,993,436
Accumulated amortisation and impairment	( 1,906,823)	( 1,710,031)	( 1,288,023)	( 11,932,672)	( 5,780,326)	( 3,205,707)	( 25,823,582)
	<u>\$ 2,401,009</u>	<u>\$ 119,047</u>	<u>\$ 58,838,050</u>	<u>\$ 7,518,671</u>	<u>\$ 7,497,624</u>	<u>\$ 795,453</u>	<u>\$ 77,169,854</u>
<u>2023</u>							
Opening net book amount	\$ 2,401,009	\$ 119,047	\$ 58,838,050	\$ 7,518,671	\$ 7,497,624	\$ 795,453	\$ 77,169,854
Additions - acquired separately	1,886	24,015	-	-	-	443,989	469,890
Additions - acquired through business combinations (Note)	574	-	2,723,415	1,407,617	1,233,738	5,648	5,370,992
Reclassifications (Note)	104,790	-	( 110,239)	-	5,449	-	-
Amortisation	( 265,313)	( 25,887)	-	( 1,595,915)	( 1,375,200)	( 750,370)	( 4,012,685)
Impairment loss	-	-	( 226,020)	-	-	-	( 226,020)
Net exchange differences	6,243	314	( 112,027)	( 53,135)	( 84,001)	14,979	( 227,627)
Closing net book amount	<u>\$ 2,249,189</u>	<u>\$ 117,489</u>	<u>\$ 61,113,179</u>	<u>\$ 7,277,238</u>	<u>\$ 7,277,610</u>	<u>\$ 509,699</u>	<u>\$ 78,544,404</u>
<u>At December 31, 2023</u>							
Cost	\$ 4,419,258	\$ 1,853,606	\$ 62,622,912	\$ 20,809,863	\$ 14,203,779	\$ 4,226,105	\$ 108,135,523
Accumulated amortisation and impairment	( 2,170,069)	( 1,736,117)	( 1,509,733)	( 13,532,625)	( 6,926,169)	( 3,716,406)	( 29,591,119)
	<u>\$ 2,249,189</u>	<u>\$ 117,489</u>	<u>\$ 61,113,179</u>	<u>\$ 7,277,238</u>	<u>\$ 7,277,610</u>	<u>\$ 509,699</u>	<u>\$ 78,544,404</u>

(Note) The additions - acquired through business combinations and reclassifications resulted from the reallocation of the purchase price relative to the acquisition of HY&T, Atrust Computer and UI Acquisition Holding Co. (UI). The allocation of the acquisition price for UI was completed in the first quarter of 2023 and the amount of the allocation of the acquisition price decreased by \$33,473 as the equity was adjusted. The allocation of the acquisition price for HY&T will be completed within one year.

	Trademarks	Patents	Goodwill	Customer Relationship	Technical Skill	Others	Total
<u>At January 1, 2022</u>							
Cost	\$ 4,072,330	\$ 1,590,408	\$ 54,420,933	\$ 18,089,972	\$ 11,152,791	\$ 5,241,533	\$ 94,567,967
Accumulated amortisation and impairment	( 1,397,642)	( 1,403,201)	( 785,167)	( 9,517,533)	( 4,128,341)	( 3,726,519)	( 20,958,403)
	<u>\$ 2,674,688</u>	<u>\$ 187,207</u>	<u>\$ 53,635,766</u>	<u>\$ 8,572,439</u>	<u>\$ 7,024,450</u>	<u>\$ 1,515,014</u>	<u>\$ 73,609,564</u>
<u>2022</u>							
Opening net book amount	\$ 2,674,688	\$ 187,207	\$ 53,635,766	\$ 8,572,439	\$ 7,024,450	\$ 1,515,014	\$ 73,609,564
Additions - acquired separately	1,349	13,784	-	-	-	600,403	615,536
Additions - acquired through business combinations (Note)	-	-	444,604	( 10,556)	413,714	-	847,762
Reclassifications (Note)	( 171,804)	-	199,800	( 376,636)	570,495	( 577,077)	( 355,222)
Amortisation	( 253,440)	( 81,117)	-	( 1,480,032)	( 1,253,100)	( 848,243)	( 3,915,932)
Impairment loss	-	-	( 417,151)	-	-	-	( 417,151)
Net exchange differences	150,216	( 827)	4,975,031	813,456	742,065	105,356	6,785,297
Closing net book amount	<u>\$ 2,401,009</u>	<u>\$ 119,047</u>	<u>\$ 58,838,050</u>	<u>\$ 7,518,671</u>	<u>\$ 7,497,624</u>	<u>\$ 795,453</u>	<u>\$ 77,169,854</u>
<u>At December 31, 2022</u>							
Cost	\$ 4,307,832	\$ 1,829,078	\$ 60,126,073	\$ 19,451,343	\$ 13,277,950	\$ 4,001,160	\$ 102,993,436
Accumulated amortisation and impairment	( 1,906,823)	( 1,710,031)	( 1,288,023)	( 11,932,672)	( 5,780,326)	( 3,205,707)	( 25,823,582)
	<u>\$ 2,401,009</u>	<u>\$ 119,047</u>	<u>\$ 58,838,050</u>	<u>\$ 7,518,671</u>	<u>\$ 7,497,624</u>	<u>\$ 795,453</u>	<u>\$ 77,169,854</u>

(Note) The additions - acquired through business combinations and reclassifications resulted from the adjustment of the contingent proceeds and the reallocation of the purchase price relative to the acquisition of March and UI. The allocation of the acquisition price for March was completed in the second quarter of 2022 and the contingent consideration decreased by \$10,556 based on the adjustment to the estimated purchase price. The allocation of the acquisition price for UI will be completed within one year.

A. Details of amortisation on intangible assets are as follows:

	Years ended December 31,	
	2023	2022
Operating costs	\$ 68,962	\$ 69,105
Selling expenses	1,868,798	1,738,944
Administrative expenses	145,164	213,309
Research and development expenses	1,929,761	1,894,574
	<u>\$ 4,012,685</u>	<u>\$ 3,915,932</u>

B. The Group acquired registered or under-application trademark rights such as , , , , , , , , , , , , ,  and . Trademarks are assessed to have finite useful lives. The remaining trademarks which have indefinite useful lives shall not be amortised but are tested for impairment annually.

C. Goodwill and trademarks with indefinite useful lives are allocated as follows to the Group's cash-generating units identified according to operating segment:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Goodwill:		
DET	\$ 36,508,534	\$ 36,514,479
Eltek (Note)	5,290,376	5,291,237
Cyntec	5,146,053	5,146,053
Vivotek	3,232,954	3,232,954
DCI	2,547,433	2,547,848
HY&T	2,046,549	-
DGC	1,765,015	1,765,303
Amerlux	1,191,084	1,191,277
March	1,029,508	1,029,676
Trihedral	748,645	748,767
Atrust	606,029	-
Others	1,000,999	1,370,456
	<u>\$ 61,113,179</u>	<u>\$ 58,838,050</u>
Trademarks:		
Automation business	\$ 799,279	\$ 691,811
Infrastructure business	386,823	386,823
	<u>\$ 1,186,102</u>	<u>\$ 1,078,634</u>

(Note) It was renamed as DELTA ELECTRONICS (NORWAY) AS.

Acquisition prices in business combination are calculated based on the price of acquisition and direct costs related to the acquisition. The amount of goodwill recognised is the difference

between the acquisition price and the net fair value of identifiable assets acquired. The amortisation duration of acquisition price shall not exceed one year after the acquisition.

D. The Group's goodwill arose from business combinations in order to improve benefit comprising of potential customer relationships and operating revenue in the location of acquired companies.

Based on IAS 36, goodwill acquired in a business combination should be tested at least annually for impairment. For the impairment testing of goodwill, goodwill acquired in a business combination is allocated to each of the cash-generating units that are expected to benefit from the synergies of the business combination. Each company may be a cash-generating unit which can generate independent cash flows.

In assessing the impairment of goodwill and trademarks with indefinite useful lives, for the goodwill of DET and Vivotek, the recoverable amount is the higher of the companies' fair value less costs of disposal and value-in-use (the fair value is classified as a level 2 fair value after the Group's assessment based on the closing price at the balance sheet date and considering premium, as the closing price is a transaction price without control in the centralized securities exchange market); for the goodwill and trademarks with indefinite useful lives of each cash-generating unit, the impairment is calculated based on value-in-use and carrying amount of net assets of each company. The key assumptions used for value-in-use calculations are operating profit margin, growth rate and discount rate.

Management determined budgeted operating profit margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.

As the recoverable amount of the cash-generating unit, MES and others, calculated using the value-in-use is less than the carrying amount, the Group recognised impairment loss of \$226,020 and \$417,151 on goodwill for the years ended December 31, 2023 and 2022, respectively. The discount rate used in calculating value-in-use was 9.69% and 10.5% on December 31, 2023 and 2022, respectively.

(10) Other non-current assets

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Prepayments for business facilities	\$ 1,392,610	\$ 1,090,269
Guarantee deposits paid	1,367,205	1,722,926
Financial assets at amortised cost	29,274	143,498
Cash surrender value of life insurance	25,340	28,106
Prepayments for long-term investments	5,591	16,772
Others	569,873	597,411
	<u>\$ 3,389,893</u>	<u>\$ 3,598,982</u>

(11) Short-term borrowings

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Unsecured bank loans	\$ 3,251,001	\$ 2,076,762
Secured loans	83,887	-
Total	<u>\$ 3,334,888</u>	<u>\$ 2,076,762</u>
Credit lines	<u>\$ 78,854,208</u>	<u>\$ 76,659,861</u>
Interest rate range	<u>0.49%~9.90%</u>	<u>0.48%~18.30%</u>

(12) Other payables

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Salary, bonus and compensation payable	\$ 26,806,844	\$ 24,175,196
Others	17,529,181	16,543,486
	<u>\$ 44,336,025</u>	<u>\$ 40,718,682</u>

(13) Bonds payable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Domestic unsecured corporate bonds	\$ 29,100,000	\$ 11,600,000

The Company issued the domestic unsecured ordinary corporate bonds for the years ended December 31, 2023 and 2022. The main conditions are as follows:

<u>Issuance</u>	<u>Type of bonds</u>	<u>Issuance period</u>	<u>Total issuance amount</u>	<u>Coupon rate</u>	<u>Repayment term</u>
First issuance in 2022	Tranche A	April 2022 - April 2027	\$ 5,900,000	0.85%	Principal is repayable at maturity and interest is repayable annually
First issuance in 2022	Tranche B	April 2022 - April 2029	700,000	0.90%	"
Second issuance in 2022		October 2022 - October 2025	5,000,000	1.45%	"
First issuance in 2023		January 2023 - January 2026	5,000,000	1.83%	"
Second issuance in 2023	Tranche A	April 2023 - April 2026	3,000,000	1.43%	"
Second issuance in 2023	Tranche B	April 2023 - April 2028	3,500,000	1.53%	"
Third issuance in 2023		June 2023 - June 2026	6,000,000	1.49%	"

(14) Long-term borrowings

<u>Type of borrowings</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Credit loans	\$ 24,700,570	\$ 32,503,019
Collateral loans	159,530	276,747
	24,860,100	32,779,766
Less: Current portion	( 2,539,678)	( 42,424)
	<u>\$ 22,320,422</u>	<u>\$ 32,737,342</u>
Credit lines	\$ 98,513,267	\$ 98,916,583
Interest rate range	<u>0.43%~6.23%</u>	<u>0.43%~6.23%</u>

A. As at December 31, 2023, the revolving loans of \$20,361,520 can be drawn down during the period from November 14, 2022 to January 4, 2026 and are payable before the due date under

the agreement.

B. Information in relation to the assets pledged to others as collateral for bank borrowings is provided in Note 8.

(15) Pensions

A. Defined benefit plan

(a) The Group has a defined benefit pension plan as follows:

- i. The Company and its domestic subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by next March.
- ii. Certain subsidiaries located in Mainland China maintain defined benefit retirement (resignation) plans with relative contribution scheme. The employees and the subsidiaries contribute an amount relatively based on a certain percentage of the monthly basic salary depending on the employee's position. When an employee retires or resigns, the total contribution from the employee is reimbursed based on the accumulated contribution (without interest) less withdrawals made by the employee in advance during the service period. The employee is also entitled to receive benefits calculated based on the accumulated contribution (without interest) from the related subsidiary multiplied by the approved benefit percentage for the employee's service years less withdrawals made by the employee in advance during the service period. The scheme mentioned above ceased on August 1, 2004. The amount contributed before was archived, and the payment scheme was not changed.
- iii. The subsidiaries in Thailand, Switzerland and Norway, etc. have an obligation to pay certain retirement benefits when employees retire based on labor regulations.

(b) The amounts recognised in the balance sheet are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Present value of defined benefit obligations	(\$ 6,947,537)	(\$ 6,642,375)
Fair value of plan assets	3,742,203	3,522,719
Adjustment to plan assets ceiling	( 219,239)	( 164,796)
Net defined benefit liability (Listed as other non-current liabilities)	<u>(\$ 3,424,573)</u>	<u>(\$ 3,284,452)</u>

(c) Movements in net defined benefit liabilities are as follows:

	<u>2023</u>			
	<u>Present value of defined benefit obligation</u>	<u>Fair value of plan assets</u>	<u>Adjustment to plan assets ceiling</u>	<u>Net defined benefit liability</u>
Balance at January 1	(\$ 6,642,375)	\$ 3,522,719	(\$ 164,796)	(\$ 3,284,452)
Acquired through business combinations	( 6,443)	21,363	-	14,920
Current service cost	( 110,563)	-	-	( 110,563)
Interest (expense) income	( 143,687)	60,248	( 3,607)	( 87,046)
Past service cost	10,318	-	-	10,318
	<u>( 6,892,750)</u>	<u>3,604,330</u>	<u>( 168,403)</u>	<u>( 3,456,823)</u>
Remeasurements:				
Return on plan assets (excluding amounts included in interest income or expense)	-	32,707	-	32,707
Change in demographic assumptions	7,666	-	-	7,666
Change in financial assumptions	( 71,832)	-	-	( 71,832)
Experience adjustments	( 135,651)	-	-	( 135,651)
	<u>( 199,817)</u>	<u>32,707</u>	<u>-</u>	<u>( 167,110)</u>
Pension fund contribution	( 13,873)	143,607	-	129,734
Paid pension	278,918	( 136,557)	-	142,361
Settlement	5,416	( 5,416)	-	-
Adjustment to plan assets ceiling (excluding amounts included in interest income or expense)	-	-	( 32,672)	( 32,672)
Exchange difference	( 125,431)	103,532	( 18,164)	( 40,063)
Balance at December 31	<u>(\$ 6,947,537)</u>	<u>\$ 3,742,203</u>	<u>(\$ 219,239)</u>	<u>(\$ 3,424,573)</u>

2022

	Present value of defined benefit obligation	Fair value of plan assets	Adjustment to plan assets ceiling	Net defined benefit liability
Balance at January 1	(\$ 6,871,348)	\$ 3,339,507	\$ -	(\$ 3,531,841)
Current service cost	( 83,102)	-	-	( 83,102)
Interest (expense) income	( 87,226)	24,339	-	( 62,887)
Past service cost	( 56,303)	-	-	( 56,303)
	<u>( 7,097,979)</u>	<u>3,363,846</u>	<u>-</u>	<u>( 3,734,133)</u>
Remeasurements:				
Return on plan assets (excluding amounts included in interest income or expense)	-	136,073	-	136,073
Change in demographic assumptions	24,914	-	-	24,914
Change in financial assumptions	674,580	-	-	674,580
Experience adjustments	( 389,317)	-	-	( 389,317)
	<u>310,177</u>	<u>136,073</u>	<u>-</u>	<u>446,250</u>
Pension fund contribution	10,085	99,059	-	109,144
Paid pension	293,147	( 182,794)	-	110,353
Settlement	11,060	-	-	11,060
Adjustment to plan assets ceiling (excluding amounts included in interest income or expense)	-	-	( 154,767)	( 154,767)
Exchange difference	( 168,865)	106,535	( 10,029)	( 72,359)
Balance at December 31	<u>(\$ 6,642,375)</u>	<u>\$ 3,522,719</u>	<u>(\$ 164,796)</u>	<u>(\$ 3,284,452)</u>

- (d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company and its domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and its domestic subsidiaries are unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as at December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Years ended December 31,	
	2023	2022
Discount rate	0.03%~10.30%	0.03%~7.40%
Future salary increases	2.0%~8.3%	2.5%~8.5%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis is as follows:

	Discount rate		Future salary increases	
	Increase	Decrease	Increase	Decrease
	0.25%~1%	0.25%~1%	0.25%~2.75%	0.25%~2.75%
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	(\$ 224,471)	\$ 246,997	\$ 83,101	(\$ 68,612)
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 217,109)	\$ 230,146	\$ 169,909	(\$ 160,522)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

- (f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2023 amount to \$223,309.
- (g) As at December 31, 2023, the weighted average duration of that retirement plan is 3~21 years.

#### B. Defined contribution plan

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act, covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs under the defined contribution pension plans of the Company and its domestic subsidiaries for the years ended December 31, 2023 and 2022 were \$739,695 and \$613,076, respectively.

- (b) Other overseas companies have defined contribution plans in accordance with the local regulations. Other than the periodic contribution, the overseas companies have no further obligations.

(16) Share capital

- A. In accordance with the Company's Articles of Incorporation, the total authorised common stock is 4 billion shares (including 100 million shares for stock warrants conversion). As at December 31, 2023, the total issued and outstanding common stock was 2,597,543 thousand shares with par value of \$10 (in dollars) per share.
- B. On December 20, 2004, the Board of Directors of the Company adopted a resolution that allowed certain stockholders to issue 16 million units of global depository receipts (GDRs), represented by 80 million shares of common stock (Deposited Shares), with one unit of GDR representing 5 shares of common stock. After obtaining approval from SFB, these GDRs were listed on the Securities Exchange of Luxembourg on March 29, 2005, with total proceeds of US\$134,666 thousand. The issuance of GDRs was represented by outstanding shares, therefore, there is no dilutive effect on the common shares' equity. The main terms and conditions of the GDRs are as follows:
  - (a) Voting rights

GDR holders may, pursuant to the Depositary Agreement and the relevant laws and regulations of the R.O.C., exercise the voting rights pertaining to the underlying common shares represented by the GDRs.
  - (b) Redemption of GDRs

For sales and redemption of the underlying common shares represented by the GDRs when the holders of the GDRs request the Depositary to redeem the GDRs in accordance with the relevant R.O.C. regulations and the provisions in the Depositary Agreement, the Depositary may (i) deliver the underlying common shares represented by the GDRs to the GDR holders, or (ii) sell the underlying common shares represented by the GDRs in the R.O.C. stock market on behalf of the GDR holder. The payment of proceeds from such sale shall be made subject to the relevant R.O.C. laws and regulations and the provisions in the Depositary Agreement.
  - (c) Distribution of dividends, preemptive rights and other rights

Distribution of dividends, preemptive rights and other rights and interests of GDR units bear the same rights as common shares.
  - (d) After considering the stock dividend distribution year by year, as at December 31, 2023, there were 254 thousand units outstanding, representing 1,272 thousand common shares of the Company's common stock.

(17) Capital surplus

Pursuant to the R.O.C. Company Law, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the

Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(18) Retained earnings

- A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be distributed in the following order:
- (a) Payment of all taxes and dues.
  - (b) Offset against prior years' operating losses, if any.
  - (c) Set aside 10% of the remaining amount as legal reserve, unless the accumulated amount of the legal reserve has reached the total authorised capital of the Company.
  - (d) Setting aside or reversing a special reserve according to relevant regulations when necessary.
  - (e) The remainder along with the beginning unappropriated earnings shall be distributed as dividends to stockholders. The appropriation of earnings shall be proposed by the Board of Directors and resolved by the shareholders.

As the Company is in the growth stage, taking into consideration the shareholders' benefits, financial health and business development, projected capital expenditures and reinvestment plans in the future, the amount of dividends distributed to shareholders shall not be lower than 50% of post-tax profit for the current year. Cash dividends shall be at least 15% of the total dividends distributed to shareholders.

- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- C. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- (b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.

D. The appropriations of 2022 and 2021 earnings had been approved by the shareholders during their meeting on June 13, 2023 and June 14, 2022, respectively. Details are summarised below:

	Years ended December 31,			
	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 3,288,320		\$ 2,688,553	
Special reserve (reversed) appropriated	( 13,198,044)		3,623,514	
Cash dividends (Note)	25,559,826	\$ 9.84	14,286,488	\$ 5.5

(Note) Information about the appropriations of earnings as resolved at the meeting of shareholders will be posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

E. The appropriations of 2023 earnings had been approved by the Board of Directors on February 29, 2024. Details are summarised below:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 3,364,651	
Special reserve appropriated	1,027,060	
Cash dividends (Note)	16,702,204	\$ 6.43

(Note) The aforementioned appropriations of 2023 earnings have not yet been resolved by the shareholders as of February 29, 2024.

(19) Non-controlling interest

	Years ended December 31,	
	2023	2022
At January 1	\$ 38,578,278	\$ 31,338,136
Share attributable to non-controlling interest:		
Profit for the year	5,487,702	4,325,010
Currency translation differences	312,322	3,744,763
Dividends paid to minority interest	( 1,895,556)	( 739,023)
Increase (decrease) in non-controlling interest (Note)	1,088,969	( 90,608)
At December 31	43,571,715	38,578,278

Note: The increase (decrease) in non-controlling interest resulted from the disposal of equity interest in DET during the year ended December 31, 2023, and the acquisition of additional equity interest in Vivotek during the year ended December 31, 2022. Details are provided in Note 6(32).

(20) Operating revenue

	Years ended December 31,	
	2023	2022
Revenue from contracts with customers	\$ 401,226,501	\$ 384,443,308

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major business:

	Year ended December 31, 2023				
	Power electronics	Automation	Infrastructure	Others	Total
Revenue from external customer contracts	\$ 248,261,435	\$ 54,295,479	\$ 98,474,919	\$ 194,668	\$ 401,226,501
Timing of revenue recognition					
At a point in time	248,233,334	52,080,886	93,694,206	151,162	394,159,588
Over time	28,101	2,214,593	4,780,713	43,506	7,066,913
	\$ 248,261,435	\$ 54,295,479	\$ 98,474,919	\$ 194,668	\$ 401,226,501

  

	Year ended December 31, 2022				
	Power electronics	Automation	Infrastructure	Others	Total
Revenue from external customer contracts	\$ 227,324,556	\$ 54,519,220	\$ 102,135,297	\$ 464,235	\$ 384,443,308
Timing of revenue recognition					
At a point in time	227,258,892	52,463,111	98,458,589	132,118	378,312,710
Over time	65,664	2,056,109	3,676,708	332,117	6,130,598
	\$ 227,324,556	\$ 54,519,220	\$ 102,135,297	\$ 464,235	\$ 384,443,308

B. Contract assets and liabilities

The Group has recognised the revenue-related contract assets primarily from automation equipment contracts and resolution of communication equipment power resource system; contract liabilities primarily pertain to advance sales receipts, advance receipts for automation equipment contract and resolution of communication equipment power resource system, etc.

Revenue recognised that was included in the contract liability balance at the beginning of the year is as follows:

	Years ended December 31,	
	2023	2022
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Advance sales receipts, advance receipts for automation equipment contract and resolution of communication equipment power resource system, etc.	\$ 7,536,826	\$ 5,438,939

(21) Interest income

	Years ended December 31,	
	2023	2022
Interest income from bank deposits	\$ 2,063,811	\$ 598,167
Other interest income	6,304	11,446
	<u>\$ 2,070,115</u>	<u>\$ 609,613</u>

(22) Other income

	Years ended December 31,	
	2023	2022
Government grant income	\$ 468,619	\$ 420,198
Sample sales income	227,094	292,111
Mold fee income	221,507	244,560
Dividend income	213,856	291,617
Testing fee income	166,930	148,168
Rental income	149,979	111,703
Others	2,992,917	1,851,739
	<u>\$ 4,440,902</u>	<u>\$ 3,360,096</u>

(23) Other gains and losses

	Years ended December 31,	
	2023	2022
(Loss) gain on disposal of property, plant and equipment	(\$ 196,768)	\$ 426,041
Gain on disposal of investments (Note)	207,397	-
Net currency exchange gain	1,275,185	583,789
Gain on financial assets/liabilities at fair value through profit or loss	1,891,458	845,835
Impairment loss	( 318,915)	( 417,151)
Miscellaneous disbursements	( 514,662)	( 241,440)
	<u>\$ 2,343,695</u>	<u>\$ 1,197,074</u>

(Note) Refer to Note 6(31).

(24) Finance costs

	Years ended December 31,	
	2023	2022
Interest expense	\$ 1,170,718	\$ 571,440

(25) Expenses by nature

	Years ended December 31,	
	2023	2022
Employee benefit expense	\$ 83,478,149	\$ 75,068,280
Depreciation charges on property, plant and equipment	16,751,910	14,337,882
Depreciation charges on right-of-use assets	825,158	682,361
Amortisation charges on intangible assets	4,012,685	3,915,932
	<u>\$ 105,067,902</u>	<u>\$ 94,004,455</u>

(26) Employee benefit expense

	Years ended December 31,	
	2023	2022
Post-employment benefits		
Defined contribution plans	\$ 1,355,983	\$ 1,064,328
Defined benefit plans	187,291	202,292
	<u>1,543,274</u>	<u>1,266,620</u>
Other employee benefits	81,934,875	73,801,660
	<u>\$ 83,478,149</u>	<u>\$ 75,068,280</u>

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 3% for employees' compensation and shall not be higher than 1% for directors' remuneration.
- B. For the years ended December 31, 2023 and 2022, employees' compensation were accrued at \$4,011,774 and \$3,949,189, respectively; while directors' remuneration were accrued at \$152,128 (including estimated amount of long-term incentive plan) and \$71,562, respectively. The aforementioned amounts were recognised in salary expenses. The final payout for the long-term incentive plan will be determined based on the performance achieved in 2024.

For the year ended December 31, 2023, the employees' compensation and directors' remuneration were estimated and accrued based on profit of current year distributable as prescribed by the Company's Articles of Incorporation. The employees' compensation of \$3,172,303 and directors' remuneration of \$61,660 for 2023 were actual amounts resolved by the Board of Directors on February 29, 2024. The differences between the resolved amounts and the amounts recognised in the 2023 financial statements were accounted for as changes in estimates and recognised in profit or loss for 2024.

The employees' compensation of \$3,103,244 and directors' remuneration of \$47,520 for 2022 were actual amounts resolved by the Board of Directors on February 22, 2023. The differences between the resolved amounts and the amounts recognised in the 2022 financial statements were accounted for as changes in estimates and recognised in profit or loss for 2023.

Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at

the website of the Taiwan Stock Exchange.

(27) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2023	2022
Current tax:		
Current tax on profits for the year	\$ 7,420,492	\$ 8,505,739
Effect from Alternative Minimum Tax	8,254	2,102
Prior year income tax overestimation	( 727,795)	( 503,294)
Tax on undistributed surplus earnings	673,280	172,579
Total current tax	7,374,231	8,177,126
Deferred tax:		
Origination and reversal of temporary differences	2,387,513	897,434
	<u>\$ 9,761,744</u>	<u>\$ 9,074,560</u>

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

	Years ended December 31,	
	2023	2022
Currency translation differences	(\$ 27,444)	\$ 1,069,086
Unrealised gains from financial assets measured at fair value through other comprehensive income	65,002	1,382
Remeasurement of defined benefit plan	( 2,840)	2,914
	<u>\$ 34,718</u>	<u>\$ 1,073,382</u>

B. Reconciliation between income tax expense and accounting profit:

	Years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	\$ 13,317,317	\$ 12,076,470
Effects from items adjusted in accordance with tax regulations	( 2,420,407)	( 1,677,426)
Effect from investment tax credits	( 1,065,126)	( 1,027,017)
Effect from taxable loss	( 23,779)	31,146
Prior year income tax overestimation	( 727,795)	( 503,294)
Effect from Alternative Minimum Tax	8,254	2,102
Tax on undistributed surplus earnings	673,280	172,579
Tax expenses	<u>\$ 9,761,744</u>	<u>\$ 9,074,560</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses are as follows:

	2023					
	<u>January 1</u>	<u>Recognised in profit or loss</u>	<u>Recognised in other comprehensive income</u>	<u>Recognised in equity</u>	<u>Acquired through business combinations</u>	<u>December 31</u>
Deferred tax assets:						
- Temporary differences:						
Allowance for inventory						
obsolescence	\$ 1,429,616	\$ 389,050	\$ -	\$ -	\$ -	\$ 1,818,666
Pension liability	422,639	( 25,522)	2,840	-	-	399,957
Assets impairment	13,456	( 602)	-	-	-	12,854
Depreciation difference between tax and financial basis	1,333,635	87,858	-	-	-	1,421,493
Others	4,788,684	251,272	-	-	-	5,039,956
Tax losses	<u>187,423</u>	<u>( 46,879)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,544</u>
	<u>8,175,453</u>	<u>655,177</u>	<u>2,840</u>	<u>-</u>	<u>-</u>	<u>8,833,470</u>
Deferred tax liabilities:						
- Temporary differences:						
Long-term equity investments	( 16,503,124)	( 2,627,686)	27,444	( 1,319,965)	-	( 20,423,331)
Land value increment tax	( 119,862)	-	-	-	-	( 119,862)
Others	<u>( 2,719,809)</u>	<u>( 415,004)</u>	<u>( 65,002)</u>	<u>65,002</u>	<u>-</u>	<u>( 3,134,813)</u>
	<u>( 19,342,795)</u>	<u>( 3,042,690)</u>	<u>( 37,558)</u>	<u>( 1,254,963)</u>	<u>-</u>	<u>( 23,678,006)</u>
	<u>(\$ 11,167,342)</u>	<u>(\$ 2,387,513)</u>	<u>(\$ 34,718)</u>	<u>(\$ 1,254,963)</u>	<u>\$ -</u>	<u>(\$ 14,844,536)</u>

	2022					
	<u>January 1</u>	<u>Recognised in profit or loss</u>	<u>Recognised in other comprehensive income</u>	<u>Recognised in equity</u>	<u>Acquired through business combinations</u>	<u>December 31</u>
Deferred tax assets:						
- Temporary differences:						
Allowance for inventory obsolescence	\$ 832,358	\$ 597,258	\$ -	\$ -	\$ -	\$ 1,429,616
Pension liability	436,555	( 11,002)	( 2,914)	-	-	422,639
Assets impairment	7,215	6,241	-	-	-	13,456
Depreciation difference between tax and financial basis	1,237,802	95,833	-	-	-	1,333,635
Others	4,385,437	172,117	-	-	231,130	4,788,684
Tax losses	<u>278,080</u>	<u>( 90,657)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,423</u>
	<u>7,177,447</u>	<u>769,790</u>	<u>( 2,914)</u>	<u>-</u>	<u>231,130</u>	<u>8,175,453</u>
Deferred tax liabilities:						
- Temporary differences:						
Long-term equity investments	( 13,925,194)	( 1,679,515)	( 1,069,086)	170,671	-	( 16,503,124)
Land value increment tax	( 119,862)	-	-	-	-	( 119,862)
Others	<u>( 2,732,100)</u>	<u>12,291</u>	<u>( 1,382)</u>	<u>1,382</u>	<u>-</u>	<u>( 2,719,809)</u>
	<u>( 16,777,156)</u>	<u>( 1,667,224)</u>	<u>( 1,070,468)</u>	<u>172,053</u>	<u>-</u>	<u>( 19,342,795)</u>
	<u>(\$ 9,599,709)</u>	<u>(\$ 897,434)</u>	<u>(\$ 1,073,382)</u>	<u>\$ 172,053</u>	<u>\$ 231,130</u>	<u>(\$ 11,167,342)</u>

D. Expiration dates of unused net operating loss carryforward and amounts of unrecognised deferred tax assets are as follows:

December 31, 2023				
Year incurred	Amount filed / assessed	Unused amount	Unrecognised deferred tax assets	Usable until year
2007-2023	\$ 2,789,078	\$ 2,789,078	\$ 2,689,356	2037
2019	\$ 1,247,178	\$ 1,247,178	\$ 1,041,030	Indefinitely usable

  

December 31, 2022				
Year incurred	Amount filed / assessed	Unused amount	Unrecognised deferred tax assets	Usable until year
2007-2022	\$ 1,670,224	\$ 1,670,224	\$ 1,638,861	2037
2018-2022	\$ 1,774,447	\$ 1,774,447	\$ 1,328,316	Indefinitely usable

E. The amounts of deductible temporary differences that were not recognised as deferred tax assets are as follows:

	December 31, 2023	December 31, 2022
Deductible temporary differences	\$ 2,910,472	\$ 2,976,618

F. The Group has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As at December 31, 2023 and 2022, the amounts of temporary differences unrecognised as deferred tax liabilities were \$12,270,213 and \$11,525,298, respectively.

G. The status of the Company and its domestic subsidiaries' assessed and approved income tax returns are as follows:

	Latest year assessed by Tax Authority
The Company, Cyntec, Power Forest Technology Corporation, DECC, DelBio, Vivotek, Lidlight Inc., Realwin., Aetek Inc. and Atrust	2021
Delmind Inc., Ancora and Delta Energy.	Note

Note: Ancora and Delmind were established in 2022 and their respective income tax returns had not been assessed. Delta Energy was established in 2023 and has not yet filed its income tax return.

H. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

I. The Group's exposure to Pillar Two income taxes arising from the Pillar Two legislation is as follows:

(a) The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Since Pillar Two legislation was

enacted in the Netherlands, the jurisdiction in which the entity controlled by the Group is incorporated, and will come into effect from January 1, 2024, the Group has no related current tax exposure as of December 31, 2023. While Pillar Two legislation was enacted in other operational regions of the Group and has not yet come into effect, it has no significant impact to the Group based on the Group's assessment.

- (b) Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.
- (c) For 2023, the average effective tax rate calculated in accordance with IAS 12 of the entities operating in Thailand is 3.11%. For the year ended December 31, 2023, total accounting profit for the entities in Thailand is THB 18,363,040 thousand. Additionally, the weighted average ownership ratio of the entities subject to the enacted legislation to the entities in Thailand is 14.68%.
- (d) Due to the complexities in applying the legislation and calculating GloBE income, the average effective tax rate of the entities operating in Thailand based on accounting profit is 3.11% for the year ended December 31, 2023. However, due to the impact of specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared to those calculated in accordance with IAS 12, the quantitative impact of the enacted or substantively enacted legislation is not yet reasonably estimable. The Group is currently engaged with tax specialists to assist it with applying the legislation.

(28) Earnings per share

	Year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 33,392,665	2,597,543	\$ 12.86
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 33,392,665	2,597,543	
Assumed conversion of all dilutive potential ordinary shares:			
Employees' compensation	-	11,634	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 33,392,665	2,609,177	\$ 12.80

	Year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 32,665,728	2,597,543	\$ 12.58
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 32,665,728	2,597,543	
Assumed conversion of all dilutive potential ordinary shares:			
Employees' compensation	-	12,313	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 32,665,728	2,609,856	\$ 12.52

(29) Share-based payment

A. For the years ended December 31, 2023 and 2022, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (shares in thousands)	Contract period	Vesting conditions
Power Forest - Employee stock options	2022.01.10~ 2023.10.01	3,285	7 years	Vested immediately
Power Forest - Cash capital increase reserved	2023.04.07	2,993	-	Vested immediately
Ancora Semiconductors - Employee stock options	2022.11.11~ 2023.10.24	4,561	10 years	Note

Note: The option life is 10 years; accumulated ratios of initially granted stock options that are exercisable upon 18 months, 30 months and 3 years of continuous services from the grant date are 30%, 60% and 100%, respectively.

B. Details of the share-based payment arrangements are as follows:

	2023		2022	
	No. of options (shares in thousands)	Weighted-average exercise price (in dollars)	No. of options (shares in thousands)	Weighted-average exercise price (in dollars)
Options outstanding opening balance at January 1	5,761	\$ 10~\$22.50	-	\$ -
Options granted	1,391	10 ~ 22.50	6,455	-
Options exercised	( 107)	22.50	( 41)	-
Options forfeited	( 557)	10 ~ 22.50	( 653)	-
Options outstanding at December 31	<u>6,488</u>	<u>\$ 10~\$22.50</u>	<u>5,761</u>	<u>\$ 10~\$22.50</u>
Options exercisable at December 31	<u>2,335</u>	<u>\$ 22.50</u>	<u>2,261</u>	<u>\$ 22.50</u>

C. During the year ended December 31, 2023, Power Forest increased its capital in cash and retained the portion subscribed by employees in accordance with the law. The options of 2,993 thousand shares have been fully exercised.

D. The weighted-average stock price of stock options at exercise dates for the year ended December 31, 2023 was \$42.43.

E. The expiry date and exercise price of stock options outstanding at balance sheet date are as follows:

December 31, 2023				
Type of arrangement	Approved release date	Due date	No. of shares (shares in thousands)	Exercise price (in dollars)
Power Forest- Employee stock options	2022.01.10~ 2023.10.01	2025.01.09~ 2026.09.30	2,335	\$ 22.5
Ancora Semiconductors - Employee stock options	2022.11.11~ 2023.10.24	2032.11.10~ 2033.10.23	4,153	10

December 31, 2022				
Type of arrangement	Approved release date	Due date	No. of shares (shares in thousands)	Exercise price (in dollars)
Power Forest- Employee stock options	2022.01.10~ 2022.10.25	2025.01.09~ 2025.10.24	2,261	\$ 22.5
Ancora Semiconductors - Employee stock options	2022.11.11	2032.11.10	3,500	10

F. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life (years)	Expected dividends	Risk-free interest rate	Fair value per unit (in dollars)
Power Forest- Employee stock options	2022.01.10~ 2022.10.25	\$44.17	\$22.50	55.89%	1.5	0%	0.42%	\$23.5559
Power Forest- Employee stock options	2023.01.01~ 2023.10.01	27.46	22.50	51.88%	1.5	0%	1.10%	9.1849
Power Forest- Cash capital increase reserved for employee preemption	2023.04.07	22.59	22.50	35.64%	0.03	0%	1.09%	0.606
Ancora Semiconductors - Employee stock options	2022.11.11	30.00	10.00	64.69%	6.2	0%	1.49%	23.84
Ancora Semiconductors - Employee stock options	2023.02.21~ 2023.10.24	24.19~ 30.00	10.00	62.31%~ 64.67%	6.2	0%	1.10%~ 1.25%	18.16~ 27.78

Note: Expected price volatility rate was estimated by using the stock prices of the most recent period with length of this period approximate to the length of the stock options' expected life, and the standard deviation of return on the stock during this year.

G. Expenses incurred on share-based payment transactions are shown below:

	Years ended December 31,	
	2023	2022
Equity-settled	\$ 45,869	\$ 74,885

(30) Business combinations

A. Business combinations of the Group for the years ended December 31, 2023 and 2022 are as follows:

- (a) On October 2, 2023, the Group acquired 100% of the share capital of HY&T Investment Holding B.V. (HY&T) for \$5,197,091 and obtained control over HY&T. As a result of the acquisition, the Group is expected to improve the layout of electric vehicle battery management systems. The allocation of the acquisition price of HY&T Investment Holding B.V. will complete in a year.
- (b) On February 1, 2023, the Group acquired 55.02% of the share capital of Atrust Computer for \$950,259 and obtained control over Atrust. As a result of the acquisition, the Group is expected to strengthen networking solution capability. The allocation of the acquisition price of Atrust Computer was completed in the second quarter of 2023.
- (c) On July 18, 2022, the Group acquired 100% of the share capital of UI Acquisition Holding Co. (UI) for \$2,766,456 and obtained control over UI. In the fourth quarter of 2022, the acquisition price increased by \$30,890 in accordance with the price adjustment mechanism in the contract. As a result of the acquisition, the Group is expected to strengthen industrial automation. The allocation of the acquisition price of UI was completed in the first quarter of 2023, and the price decreased by \$33,473 as the equity was adjusted based on the audited financial statements.
- (d) On December 1, 2021, the Group acquired 100% of the share capital of March Networks Holdings Ltd. (March) for \$3,472,680 and obtained control over March. As a result of the acquisition, the Group is expected to improve the security and building automation. The allocation of acquisition price of March was completed in the second quarter of 2022, and the contingent consideration decreased by \$10,556 based on the adjustment to the estimated purchase price.

B. The following table summarises the consideration paid for the abovementioned acquired subsidiaries and the fair values of the assets acquired, liabilities assumed and the non-controlling interest at the acquisition date:

	<u>HY&amp;T</u>	<u>Atrust Computer (Note)</u>	<u>UI (Note)</u>	<u>March (Note)</u>
Purchase consideration				
Cash	\$ 5,197,091	\$ 950,259	\$ 2,797,346	\$ 3,376,535
Contingent consideration	-	-	-	85,589
	<u>5,197,091</u>	<u>950,259</u>	<u>2,797,346</u>	<u>3,462,124</u>
Fair value of the non-controlling interest	-	591,199	-	-
	<u>5,197,091</u>	<u>1,541,458</u>	<u>2,797,346</u>	<u>3,462,124</u>

	<u>HY&amp;T</u>	<u>Atrust Computer (Note)</u>	<u>UI (Note)</u>	<u>March (Note)</u>
The identifiable assets acquired and liabilities assumed				
Cash and bank deposits	96,534	421,004	171,888	510,591
Other current assets	1,525,997	392,688	2,960,518	1,218,552
Property, plant and equipment	682,104	5,169	143,360	44,809
Intangible assets	2,120,370	527,207	523,953	821,850
Deferred tax assets	25,523	210	265,321	403,881
Other non-current assets	1,382,682	35,865	54,254	242,838
Other current liabilities	( 2,064,913)	( 411,714)	( 1,553,995)	( 475,624)
Other non-current liabilities	( 722,065)	( 35,000)	( 68,845)	( 236,879)
Total identifiable net assets	<u>3,046,232</u>	<u>935,429</u>	<u>2,496,454</u>	<u>2,530,018</u>
Goodwill	<u>\$ 2,150,859</u>	<u>\$ 606,029</u>	<u>\$ 300,892</u>	<u>\$ 932,106</u>

Note: Represents the amount after the allocation of acquisition price.

- C. The allocation of the acquisition price of UI was completed in the first quarter of 2023 and the fair values of the acquired identifiable intangible assets and goodwill were \$523,953 and \$300,892, respectively.
- D. The allocation of the acquisition price of Atrust Computer was completed in the second quarter of 2023 and the fair values of the acquired identifiable intangible assets and goodwill were \$527,207 and \$606,029, respectively.
- E. The operating revenue included in the consolidated statement of comprehensive income since February 1, 2023 contributed by Atrust Computer was \$796,087. Atrust Computer also contributed loss before income tax of (\$1,857) over the same period. Had Atrust Computer been consolidated from January 1, 2023, the consolidated statement of comprehensive income for the year ended December 31, 2023 would show operating revenue of \$401,267,192 and profit before income tax of \$48,633,324.
- F. The operating revenue included in the consolidated statement of comprehensive income since October 2, 2023 contributed by HY&T was \$661,408. HY&T also contributed loss before income tax of (\$147,120) over the same period. Had HY&T been consolidated from January 1, 2023, the consolidated statement of comprehensive income for the year ended December 31, 2023 would show operating revenue of \$403,005,909 and profit before income tax of \$47,433,412.

(31) Supplemental cash flow information

The Group's subsidiary, Vivotek Inc., sold 100% of shares in the subsidiary – Otus Imaging, Inc. on March 31, 2023 and therefore lost control over the subsidiary. The details of the consideration received from the transaction and assets and liabilities relating to the subsidiary are as follows:

	<u>Otus Imaging, Inc.</u>
Purchase consideration	
Cash	\$ <u>115,535</u>
Carrying amount of the assets and liabilities of Otus Imaging, Inc.	
Cash	26,529
Accounts receivable	565
Current income tax assets	2
Inventories	17,529
Prepayments	7
Other current assets	28
Property, plant and equipment	547
Other non-current assets	181
Contract liabilities - current	( 8)
Accounts payable	( 340)
Accounts payable - related parties	( 6)
Other payables	( 2,054)
Other current liabilities	( <u>177</u> )
Total net assets	\$ <u>42,803</u>

(32) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

For the year ended December 31, 2023, the Group acquired additional equity interest of 5% in Eltek Egypt for Power Supply S.A.E. (Eltek Egypt) from non-controlling interest for a total cash consideration of \$1,619. For the year ended December 31, 2022, the Group acquired additional equity interest of 1.66% in Vivotek and 0.03% in AMT for a total cash consideration of \$111,232. The effect of changes in interest attributable to owners of the parent for the years ended December 31, 2023 and 2022 is shown below:

	<u>Years ended December 31,</u>			
	<u>2023</u>	<u>2022</u>		
	<u>Eltek Egypt</u>	<u>Vivotek</u>	<u>AMT</u>	<u>Total</u>
Carrying amount of non-controlling interest acquired	\$ 2,170	\$ 125,504	\$ 407	\$ 125,911
Consideration paid to non-controlling interest	( <u>1,619</u> )	( <u>110,182</u> )	( <u>1,050</u> )	( <u>111,232</u> )
	<u>\$ 551</u>	<u>\$ 15,322</u>	<u>(\$ 643)</u>	<u>\$ 14,679</u>
Difference between proceeds on actual acquisition of equity interest in a subsidiary and its carrying amount:				
Capital surplus	\$ <u>551</u>	\$ <u>15,322</u>	\$ -	\$ <u>15,322</u>
Unappropriated retained earnings	\$ -	\$ -	( <u>\$ 643</u> )	( <u>\$ 643</u> )

## B. Disposal of partial equity in subsidiaries without loss of control

For the year ended December 31, 2023, the Group disposed 0.72% equity interest in the subsidiary, Delta Electronics (Thailand) Public Company Limited (DET), for a consideration of \$7,380,571, resulting in a decrease in the Group's ownership percentage to 63.07%. For the years ended December 31, 2022, the Group had no disposal transactions. The effect of changes in interests attributable to owners of the parent for the years ended December 31, 2023 and 2022 is shown below:

	Years ended December 31,	
	2023	2022
Consideration received from non-controlling interest	\$ 7,380,571	\$ -
Carrying amount of disposing equity interest in a subsidiary	( 739,083)	-
Adjustment of other equity	( 1,358,399)	-
	<u>\$ 5,283,089</u>	<u>\$ -</u>
Difference between proceeds on actual acquisition or disposal of equity interest in a subsidiary and its carrying amount:		
Capital surplus	<u>\$ 5,283,089</u>	<u>\$ -</u>

### (33) Changes in liabilities from financing activities

	Short-term borrowings	Bonds payable	Long-term borrowings (including current portion)	Liabilities from financing activities-gross
At January 1, 2023	\$ 2,076,762	\$ 11,600,000	\$ 32,779,766	\$ 46,456,528
Changes in cash flow from financing activities	874,114	17,500,000	( 8,047,526)	10,326,588
Effect of business combination	384,012	-	127,860	511,872
At December 31, 2023	<u>\$ 3,334,888</u>	<u>\$ 29,100,000</u>	<u>\$ 24,860,100</u>	<u>\$ 57,294,988</u>
	Short-term borrowings	Bonds payable	Long-term borrowings (including current portion)	Liabilities from financing activities-gross
At January 1, 2022	\$ 4,397,362	\$ -	\$ 43,958,912	\$ 48,356,274
Changes in cash flow from financing activities	( 2,320,600)	11,600,000	( 11,179,146)	( 1,899,746)
At December 31, 2022	<u>\$ 2,076,762</u>	<u>\$ 11,600,000</u>	<u>\$ 32,779,766</u>	<u>\$ 46,456,528</u>

## 7. RELATED PARTY TRANSACTIONS

### (1) Names and relationship of related parties

Names of related parties	Relationship with the Group
Compower AS	Associate
Fujian Kaixin Construciton Engineering Co., Ltd.	"
Delta Networks (Xiamen) Ltd.	"
Digital Projection Asia Pte Ltd.	"

### (2) Significant transactions and balances with related parties

#### A. Operating revenue

	Years ended December 31,	
	2023	2022
Sales of goods:		
Associates	\$ 63,488	\$ 94,287
Sales of services:		
Associates	4	28
	\$ 63,492	\$ 94,315

The Group sells commodities to related parties based on mutually agreed selling prices and terms as there is no similar transaction to be compared with. Sales of services to related parties arise mainly from sales and services of construction system.

#### B. Purchases of goods

	Years ended December 31,	
	2023	2022
Purchases of goods:		
Associates	\$ 161,554	\$ 188,860

The purchase terms, including prices and payments, are based on mutual agreement and have no similar transaction to be compared with.

#### C. Period-end balances arising from sales of goods and services

	December 31, 2023	December 31, 2022
Receivables from related parties:		
Associates	\$ 5,801	\$ 29,551

The receivables from related parties arise mainly from sales transactions. The receivables are due 75 days after the date of sale. The receivables are unsecured in nature and bear no interest.

#### D. Period-end balances arising from purchases of goods

	December 31, 2023	December 31, 2022
Payables to related parties:		
Associates	\$ 38,185	\$ 28,525

The payables to related parties arise mainly from purchase transactions and are due 70 days after the date of purchase. The payables bear no interest.

E. Period-end balances arising from other transactions

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Other receivables-related parties		
Associates	\$ <u>3,122</u>	\$ <u>2,000</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Other payables-related parties		
Associates	\$ <u>-</u>	\$ <u>867</u>

Other receivables due from related parties mainly arose from receivables resulting from transactions other than sales. Other payables to related parties mainly arose from payables resulting from transactions other than purchases.

(3) Key management compensation

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	\$ 381,634	\$ 333,932
Post-employment benefits	753	737
	<u>\$ 382,387</u>	<u>\$ 334,669</u>

8. PLEDGED ASSETS

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

<u>Pledged assets</u>	<u>Book Value</u>		<u>Pledge purpose</u>
	<u>December 31, 2023</u>	<u>December 31, 2022</u>	
Demand deposits and time deposits (shown as current financial assets at amortised cost)	\$ 259,567	\$ 265,382	Performance bonds, custom guarantee, court attachments and other guarantee deposits
Accounts receivable	122,923	-	Accounts receivable financing
Demand deposits and time deposits (shown as other non-current assets)	29,274	143,498	Performance bonds and custom guarantee
Property, plant and equipment	282,023	477,276	Long-term borrowings and credit line of long-term borrowings
	<u>\$ 693,787</u>	<u>\$ 886,156</u>	

## 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

### (1) Contingencies

None.

### (2) Commitments

Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Property, plant and equipment	\$ 9,931,738	\$ 9,507,364
Costs of computer software	\$ 187,471	\$ 558,781

## 10. SIGNIFICANT CASUALTY LOSS

None.

## 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- (1) Information about the appropriations of 2023 earnings of the Company is provided in Note 6(18) E.
- (2) On January 17, 2024, the Board of Directors of the Company approved the acquisition of technology transfer of hydrogen stack, development licensing, engineering services and production capacity expansion costs in response to the demand for sample stack from Ceres Power Limited with the total amount of approximately GBP 43 million.
- (3) On January 17, 2024, the Board of Directors of the Company approved the acquisition of real estate and then entered into an agreement with Nan Shan Life Insurance Company, Ltd. for an amount of approximately \$4,789 million on January 25, 2024.
- (4) On January 11, 2024, the Board of Directors of Delta Electronics India Pvt. Ltd. approved the construction of dormitory in Hosur Plant, Tamil Nadu, India with estimated total cost of INR 8 billion.

## 12. OTHERS

### (1) Capital risk management

The Group's objectives when managing capital are to maintain an integrity credit rating and good capital structure to support operations and maximize stockholders' equity.

### (2) Financial instruments

#### A. Financial instruments by category:

Refer to the consolidated balance sheets and Note 6 for related amounts and information of the Group's financial assets (financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortised cost, cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties) and guarantee deposits paid) and financial liabilities (financial liabilities at fair value through profit or loss, short-term borrowings, notes payable, accounts payable (including related parties), other payables, bonds payable, guarantee deposits received, lease liabilities and long-term borrowings).

## B. Financial risk management policies

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial position and financial performance. The Group uses derivative financial instruments to hedge certain risk exposures (see Note 6(2)).

## C. Significant financial risks and degrees of financial risks

### (a) Market risk

#### Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, RMB, EUR and THB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group use forward foreign exchange contracts, foreign exchange swap contracts, transacted with Group treasury.
- iii. The Group adopts the derivative financial instruments like forward exchange contracts / forward exchange transactions, etc. to hedge the fair value risk and cash flow risk due to foreign exchange rate fluctuations. The Group monitors at any time and pre-sets a "stop loss" amount to limit its foreign exchange risk.
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, RMB and THB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2023

	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:THB (Note)	\$ 982,669	34.0523	\$ 30,172,857
USD:NTD	561,117	30.7050	17,229,086
USD:RMB (Note)	271,592	7.0973	8,339,235
RMB:USD (Note)	1,525,780	0.1409	6,600,968
EUR:USD (Note)	107,709	1.1067	3,659,938
SGD:USD (Note)	44,352	0.7585	1,032,969
<u>Non-monetary items</u>			
USD:NTD	\$ 7,238,902	30.7050	\$ 222,270,491
THB:USD (Note)	68,431,357	0.0294	61,704,555
RMB:USD (Note)	10,185,763	0.1409	44,066,564
USD:THB (Note)	604,737	34.0523	18,568,459
NOK:USD (Note)	3,743,141	0.0983	11,293,319
EUR:USD (Note)	192,963	1.1067	6,556,867
THB:NTD	6,259,990	0.9017	5,644,633
CAD:USD (Note)	56,709	0.7556	1,315,642
JPY:USD (Note)	5,253,964	0.0071	1,141,161
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:THB (Note)	\$ 614,738	34.0523	\$ 18,875,538
USD:NTD	547,625	30.7050	16,814,841
RMB:USD (Note)	1,744,670	0.1409	7,547,950
USD:RMB (Note)	174,480	7.0973	5,357,421
EUR:USD (Note)	69,441	1.1067	2,359,590
USD:KRW (Note)	61,011	1,284.1907	1,873,334
SGD:USD (Note)	73,958	0.7585	1,722,484

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

December 31, 2022

	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	\$ 672,093	30.7100	\$ 20,639,966
USD:THB (Note)	453,354	34.3474	13,922,487
USD:RMB (Note)	355,454	6.9566	10,915,995
RMB:USD (Note)	1,398,952	0.1437	6,175,688
EUR:USD (Note)	100,072	1.0655	3,274,367
<u>Non-monetary items</u>			
USD:NTD	\$ 6,510,039	30.7100	\$ 199,923,287
THB:USD (Note)	62,766,372	0.0291	56,119,413
RMB:USD (Note)	9,430,018	0.1437	41,628,907
USD:THB (Note)	477,835	34.3474	14,674,323
NOK:USD (Note)	3,799,429	0.1013	11,819,719
THB:NTD	5,702,778	0.8941	5,098,854
EUR:USD (Note)	50,706	1.0655	1,659,113
CAD:USD (Note)	53,790	0.7382	1,219,426
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	\$ 637,367	30.7100	\$ 19,573,533
USD:THB (Note)	427,396	34.3474	13,125,318
RMB:USD (Note)	2,060,113	0.1437	9,094,391
USD:RMB (Note)	276,013	6.9566	8,476,363
EUR:USD (Note)	66,637	1.0655	2,180,358
SGD:USD (Note)	92,025	0.7450	2,105,524

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

- v. Total exchange gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2023 and 2022 amounted to \$1,275,185 and \$583,789, respectively.
- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

Year ended December 31, 2023			
Sensitivity analysis			
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:THB (Note)	1%	\$ 301,729	\$ -
USD:NTD	1%	172,291	-
USD:RMB (Note)	1%	83,392	-
RMB:USD (Note)	1%	66,010	-
EUR:USD (Note)	1%	36,599	-
SGD:USD (Note)	1%	10,330	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:THB (Note)	1%	\$ 188,755	\$ -
USD:NTD	1%	168,148	-
RMB:USD (Note)	1%	75,480	-
USD:RMB (Note)	1%	53,574	-
EUR:USD (Note)	1%	23,596	-
USD:KRW (Note)	1%	18,733	-
SGD:USD (Note)	1%	17,225	-
Year ended December 31, 2022			
Sensitivity analysis			
(Foreign currency: functional currency)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 206,400	\$ -
USD:THB (Note)	1%	139,225	-
USD:RMB (Note)	1%	109,160	-
RMB:USD (Note)	1%	61,757	-
EUR:USD (Note)	1%	32,744	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:NTD	1%	\$ 195,735	\$ -
USD:THB (Note)	1%	131,253	-
RMB:USD (Note)	1%	90,944	-
USD:RMB (Note)	1%	84,764	-
EUR:USD (Note)	1%	21,804	-
SGD:USD (Note)	1%	21,055	-

Note: Certain consolidated entities' functional currency is not NTD. Therefore, the Group shall consider these items when disclosing the above information.

### Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.
- ii The Group's investments in equity securities comprise shares issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$45,564 and \$17,011, respectively, as a result of gain/loss on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$13,837 and \$14,772, respectively, as a result of other comprehensive income classified equity investment at fair value through other comprehensive income.

### Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from long-term borrowings and bonds payable. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings and bonds payable issued at fixed rates expose the Group to fair value interest rate risk. The Group's borrowings mainly bear variable interest rate; while bonds payable bear fixed interest rate. During the years ended December 31, 2023 and 2022, the Group's borrowings at variable rate were denominated in NTD, USD and JPY, and the Group's bonds payable at fixed rates were denominated in NTD.
- ii. As at December 31, 2023 and 2022, if the interest rate increases by 0.25%, with all other variables held constant, profit, net of tax for the years ended December 31, 2023 and 2022 would have decreased by \$49,698 and \$65,537, respectively. The main factor is that changes in interest expense result from floating rate borrowings.

### (b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of financial instruments which were settled in accordance with trading conditions.
- ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors.
- iii. Individual risk limits are set based on internal or external ratings in accordance with limits

set by the credit controller. The utilisation of credit limits is regularly monitored.

- iv. For banks and financial institutions, only well rated parties are accepted.
- v. The Group adopts the assumption under IFRS 9, that is, if the contract payments are past due over 180 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- vi. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are not expected to be recovered and are transferred to overdue receivables.
- vii. The Group classifies customer's accounts receivable and contract assets in accordance with customer types. The Group applies the simplified approach using the provision matrix based on the loss rate methodology to estimate expected credit loss.
- viii. The Group uses the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable and contract assets. There were no contract assets past due as at December 31, 2023 and 2022. On December 31, 2023 and 2022, the provision matrix of accounts receivable is as follows:

	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>
<u>At December 31, 2023</u>			
Expected loss rate	0.00%	1.66%	24.09%
Total book value	\$ 65,274,347	\$ 11,479,401	\$ 454,029
Loss allowance	\$ 935	\$ 190,800	\$ 109,389
	<u>181-365 days past due</u>	<u>Over 366 days past due</u>	<u>Total</u>
Expected loss rate	38.57%	90.31%	
Total book value	\$ 324,169	\$ 228,578	\$ 77,760,524
Loss allowance	\$ 125,037	\$ 206,440	\$ 632,601
	<u>Not past due</u>	<u>1-90 days past due</u>	<u>91-180 days past due</u>
<u>At December 31, 2022</u>			
Expected loss rate	0.00%	1.09%	13.83%
Total book value	\$ 73,676,921	\$ 9,781,373	\$ 687,649
Loss allowance	\$ 478	\$ 106,371	\$ 95,104
	<u>181-365 days past due</u>	<u>Over 366 days past due</u>	<u>Total</u>
Expected loss rate	40.35%	98.79%	
Total book value	\$ 213,655	\$ 218,039	\$ 84,577,637
Loss allowance	\$ 86,204	\$ 215,411	\$ 503,568

ix. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes receivable, accounts receivable, contract assets and overdue receivables are as follows:

	2023				
	Notes receivable	Accounts receivable	Contract assets	Overdue receivables	Total
At January 1	\$ -	\$ 503,568	\$ -	\$ 293,877	\$ 797,445
Provision for impairment loss	-	135,346	-	-	135,346
Reclassification	-	( 1,035)	-	1,035	-
Reversal of impairment loss	-	-	-	( 7,998)	( 7,998)
Write-offs during the year	-	( 7,751)	-	( 21,124)	( 28,875)
Effect of foreign exchange	-	2,473	-	( 799)	1,674
At December 31	<u>\$ -</u>	<u>\$ 632,601</u>	<u>\$ -</u>	<u>\$ 264,991</u>	<u>\$ 897,592</u>
	2022				
	Notes receivable	Accounts receivable	Contract assets	Overdue receivables	Total
At January 1	\$ -	\$ 350,544	\$ -	\$ 313,298	\$ 663,842
Provision for impairment loss	-	133,242	-	282	133,524
Reclassification	-	( 4,111)	-	4,111	-
Write-offs during the year	-	( 2,347)	-	( 35,953)	( 38,300)
Effect of foreign exchange	-	26,240	-	12,139	38,379
At December 31	<u>\$ -</u>	<u>\$ 503,568</u>	<u>\$ -</u>	<u>\$ 293,877</u>	<u>\$ 797,445</u>

For provisioned loss for the years ended December 31, 2023 and 2022, the provision for impairment loss arising from customers' contracts amounted to \$127,348 and \$133,524, respectively.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities:

Non-derivative financial liabilities:

<u>December 31, 2023</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 3,341,203	\$ -	\$ -	\$ -
Notes and accounts payable (including related parties)	53,538,944	-	-	-
Other payables	44,336,025	-	-	-
Lease liabilities (including current portion)	854,819	648,127	1,018,478	1,055,942
Bonds payable	406,300	5,389,019	23,661,759	701,692
Long-term borrowings (including current portion)	2,707,916	20,516,564	1,657,738	188,707

Non-derivative financial liabilities:

<u>December 31, 2022</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 2,122,489	\$ -	\$ -	\$ -
Notes and accounts payable (including related parties)	62,715,670	-	-	-
Other payables	40,718,682	-	-	-
Lease liabilities (including current portion)	648,343	509,150	901,995	1,028,183
Bonds payable	128,950	128,950	11,087,747	707,992
Long-term borrowings (including current portion)	198,295	30,489,081	2,029,164	300,581

Derivative financial liabilities:

As at December 31, 2023 and 2022, the Group's derivative financial liabilities are due within 1 year.

- iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis to be significantly earlier, nor expect the actual cash flow amount to be significantly different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

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

Level 3: Unobservable inputs for the asset or liability.

- B. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables, bonds payable and long-term borrowings (including current portion) are approximate to their fair values.
- C. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$4,556,372	\$ -	\$ 810,090	\$5,366,462
Hybrid instruments	98,591	-	229,870	328,461
Derivative instruments	-	576,526	-	576,526
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>1,266,616</u>	<u>-</u>	<u>728,414</u>	<u>1,995,030</u>
	<u>\$5,921,579</u>	<u>\$ 576,526</u>	<u>\$1,768,374</u>	<u>\$8,266,479</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 54,410</u>	<u>\$ -</u>	<u>\$ 54,410</u>
<u>December 31, 2022</u>				
<u>Level 1</u>				
<u>Level 2</u>				
<u>Level 3</u>				
<u>Total</u>				
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$1,701,096	\$ -	\$1,073,118	\$2,774,214
Hybrid instruments	46,929	900,000	204,249	1,151,178
Derivative instruments	-	605,847	-	605,847
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>1,268,503</u>	<u>-</u>	<u>472,050</u>	<u>1,740,553</u>
	<u>\$3,016,528</u>	<u>\$1,505,847</u>	<u>\$1,749,417</u>	<u>\$6,271,792</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ 74,232</u>	<u>\$ -</u>	<u>\$ 74,232</u>

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

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

	Listed shares	Convertible (exchangeable) bond
Market quoted price	Closing price	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques that are approved for financial management.
- (c) When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (d) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- (e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group’s financial and non-financial instruments. Therefore, the estimated value derived using the valuation model is adjusted accordingly with additional inputs. In accordance with the Group’s management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty.

E. In October 2023, the Group converted the convertible bonds of Lanner Electronics Inc. into common stock. Therefore, the Group transferred the fair value from Level 2 to Level 1 at the end of the month when the event occurred. For the year ended December 31, 2022, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

	2023		
	Hybrid instruments	Equity instruments	Total
At January 1	\$ 204,249	\$ 1,545,168	\$ 1,749,417
Gains (losses) recognised in profit or loss	25,621	( 98,208)	( 72,587)
Gains recognised in other comprehensive income	-	354,136	354,136
Acquired during the year	-	617,488	617,488
Disposals during the year	-	( 645,886)	( 645,886)
Transfers out from Level 3	-	( 206,869)	( 206,869)
Others	-	( 25,276)	( 25,276)
Net exchange differences	-	( 2,049)	( 2,049)
At December 31	<u>\$ 229,870</u>	<u>\$ 1,538,504</u>	<u>\$ 1,768,374</u>
	2022		
	Hybrid instruments	Equity instruments	Total
At January 1	\$ 197,148	\$ 1,662,662	\$ 1,859,810
Gains recognised in profit or loss	7,101	290,919	298,020
Gains recognised in other comprehensive income	-	9,874	9,874
Acquired during the year	-	489,653	489,653
Disposals during the year	-	( 672,926)	( 672,926)
Transfers out from Level 3	-	( 234,883)	( 234,883)
Others	-	( 16,312)	( 16,312)
Net exchange differences	-	16,181	16,181
At December 31	<u>\$ 204,249</u>	<u>\$ 1,545,168</u>	<u>\$ 1,749,417</u>

G. For the years ended December 31, 2023 and 2022, the Group obtained sufficient observable market information for certain financial assets at fair value through profit or loss. These equity securities were transferred from Level 3 into Level 1 at the end of the month in which they were listed.

H. Investment and accounting department is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and periodical review.

The capital department establishes valuation policies, valuation processes and ensures compliance with the related requirements in IFRS. The related valuation results are reported to the management monthly. The management is responsible for managing and reviewing valuation processes.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	\$ 1,421,372	Most recent non-active market price	Not applicable	-	Not applicable
"	117,132	Market comparable companies	Price to book ratio multiple	0.42~1.82 (0.90)	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to book ratio multiple	1.38~3.90 (1.99)	
			Discount for lack of marketability	20% (20%)	
Hybrid instrument:					
Convertible preferred stocks	229,870	Equity value of complex capital structures	Discount for lack of marketability	1%	The higher the discount for lack of marketability, the lower the fair value; the higher the stock price volatility, the higher the fair value
			Stock price volatility	55%	
	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Non-derivative equity instruments:					
Unlisted shares	\$ 1,336,503	Most recent non-active market price	Not applicable	-	Not applicable

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (median)	Relationship of inputs to fair value
Unlisted shares	208,665	Market comparable companies	Price to book ratio multiple	0.42~2.00 (0.97)	The higher the multiple, the higher the fair value; the higher the discount for lack of marketability, the lower the fair value
			Price to book ratio multiple	0.64~2.20 (2.0)	
			Price to book ratio multiple	1.44~3.50 (1.98)	
			Discount for lack of marketability	20% (20%)	
Hybrid instrument:					
Convertible preferred stocks	\$ 204,249	Equity value of complex capital structures	Discount for lack of marketability	7%	The higher the discount for lack of marketability, the lower the fair value; the higher the stock price volatility, the higher the fair value
			Stock price volatility	55%	

J. The Group's valuation techniques are based on the most recent non-active market price after carefully assessing the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

		December 31, 2023			
		Recognised in profit or loss		Recognised in other comprehensive income (loss)	
Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets					
Equity instruments	Discount for lack of marketability	± 1%	\$ -	\$ -	\$ 1,714 (\$ 1,714)
Financial assets					
Hybrid instrument	Discount for marketability	± 1%	\$ 2,321	(\$ 2,321)	\$ - \$ -

			December 31, 2022			
			Recognised in profit or loss		Recognised in other comprehensive income (loss)	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity instruments	Discount for lack of marketability	± 1%	\$ -	\$ -	\$ 3,028	(\$ 3,028)
Financial assets						
Hybrid instrument	Discount for marketability	± 1%	\$ 2,197	(\$ 2,193)	\$ -	\$ -

### 13. SUPPLEMENTARY DISCLOSURES

#### (1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2), 6(4) and 12(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

#### (2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 9.

#### (3) Information on investments in Mainland China

- A. Basic information: Please refer to table 10.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland China: Please refer to tables 6, 7 and 8 for significant transactions of purchases, sales, receivables and payables of investee companies in the Mainland China, and transactions

between the Company indirectly through investees in a third area, Delta Electronics Int'l (Singapore) Pte. Ltd. (DEIL-SG), with investee companies in the Mainland China, for the year ended December 31, 2023.

(4) Major shareholders information

Please refer to table 11.

14. OPERATING SEGMENT INFORMATION

(1) General information

The Group's management has determined the reportable segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group considers the business from a product perspective. The Group's business is segregated into power electronics business, automation business and infrastructure business. Breakdown of the revenue from all sources is as follows:

- A. Power electronics: Electronic Control Systems, Component, Fans and Thermal Management, Automotive Electronics and Merchant & Mobile Power.
- B. Automation: Industrial Automation and Building Automation.
- C. Infrastructure: ICT Infrastructure, Energy Infrastructure and Digital Display Products..

(2) Measurement of segment information

The Group's segment profit (loss) is measured with the operating profit (loss) before tax, which is used as a basis for the Group in assessing the performance of the operating segments. The accounting policies of the operating segments are in agreement with the significant accounting policies summarized in Note 4.

(3) Segment information

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

	Year ended December 31, 2023			
	Power electronics business	Automation business	Infrastructure business	Total
Revenue from external customers	<u>\$ 248,261,435</u>	<u>\$ 54,295,479</u>	<u>\$ 98,474,919</u>	<u>\$ 401,031,833</u>
Segment income (Note)	<u>\$ 35,970,510</u>	<u>\$ 1,463,565</u>	<u>\$ 3,515,762</u>	<u>\$ 40,949,837</u>

	Year ended December 31, 2022			
	Power electronics business	Automation business	Infrastructure business	Total
Revenue from external customers	\$ 227,324,556	\$ 54,519,220	\$ 102,135,297	\$ 383,979,073
Segment income (Note)	\$ 32,129,078	\$ 3,147,127	\$ 6,162,619	\$ 41,438,824

(Note) Segment income represents income after eliminating inter-segment transactions.

(4) Reconciliation information for segment income

- A. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that of the statement of comprehensive income.
- B. A reconciliation of reportable segments income or loss to income before tax from continuing operations for the years ended December 31, 2023 and 2022 is provided as follows:

	Year ended December 31,	
	2023	2022
Reportable segments income	\$ 40,949,837	\$ 41,438,824
Non-operating income and expenses	7,692,274	4,626,474
Income before tax from continuing operations	\$ 48,642,111	\$ 46,065,298

(5) Information on products and services

As the Group considered the business from a product perspective, the reportable segments were based on different products and services. Revenues from external customers are the same as in Note 14(3).

(6) Geographical information

Information about geographic areas for the years ended December 31, 2023 and 2022 were as follows:

	Years ended December 31,			
	2023		2022	
	Revenue	Non-current assets	Revenue	Non-current assets
Mainland China	\$ 107,709,513	\$ 30,272,465	\$ 113,271,949	\$ 31,170,504
U.S.A.	100,431,267	8,530,845	103,574,115	9,063,754
Taiwan	35,761,311	45,671,490	35,439,444	42,435,159
Thailand	2,955,134	55,208,323	3,409,805	49,055,893
Others	154,369,276	43,674,234	128,747,995	38,503,262
Total	\$ 401,226,501	\$ 183,357,357	\$ 384,443,308	\$ 170,228,572

(7) Major customer information

There are no customers accounting for more than 10% of the Group's operating revenues for the years ended December 31, 2023 and 2022.

## Delta Electronics, Inc. and Subsidiaries

## Loans to others

Year ended December 31, 2023

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

Table 1

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023 (Note 2)	Balance at December 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 6)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
1	Fairview Assets Ltd.	Delta Controls Inc.	Other receivables - related parties	Yes	\$ 2,855,565	\$2,579,220	\$ 1,565,955	5.43%	2	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 33,276,886	\$ 33,276,886	Note 5
1	Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Other receivables - related parties	Yes	18,776,108	11,667,900	11,667,900	5.43%	2	-	Additional operating capital	-	None	-	33,276,886	33,276,886	Note 5
1	Fairview Assets Ltd.	Delta Electronics (H.K.) Ltd.	Other receivables - related parties	Yes	9,672,075	9,672,075	9,672,075	5.43%	2	-	Additional operating capital	-	None	-	33,276,886	33,276,886	Note 5
2	Delta International Holding Limited B.V.	Delta Electronics (Netherlands) B.V.	Other receivables - related parties	Yes	14,431,350	767,625	767,625	5.43%	2	-	Additional operating capital	-	None	-	82,737,869	82,737,869	Note 5
2	Delta International Holding Limited B.V.	Drake Investment (HK) Limited	Other receivables - related parties	Yes	767,625	-	-	5.43%	2	-	Additional operating capital	-	None	-	82,737,869	82,737,869	Note 5
2	Delta International Holding Limited B.V.	Delta Electronics (H.K.) Ltd.	Other receivables - related parties	Yes	13,510,200	13,141,740	13,141,740	5.43%	2	-	Additional operating capital	-	None	-	82,737,869	82,737,869	Note 5
2	Delta International Holding Limited B.V.	Delta Controls Inc.	Other receivables - related parties	Yes	429,870	429,870	429,870	5.43%	2	-	Additional operating capital	-	None	-	82,737,869	82,737,869	Note 5
2	Delta International Holding Limited B.V.	Digital Projection Inc.	Other receivables - related parties	Yes	70,622	-	-	5.43%	2	-	Additional operating capital	-	None	-	82,737,869	82,737,869	Note 5
2	Delta International Holding Limited B.V.	Amerlux, LLC	Other receivables - related parties	Yes	951,855	829,035	829,035	5.43%	2	-	Additional operating capital	-	None	-	82,737,869	82,737,869	Note 5
2	Delta International Holding Limited B.V.	Delta Electronics (USA) Inc.	Other receivables - related parties	Yes	921,150	859,740	859,740	5.43%	2	-	Additional operating capital	-	None	-	82,737,869	82,737,869	Note 5
2	Delta International Holding Limited B.V.	TB&C Outsert Center GmbH	Other receivables - related parties	Yes	67,960	-	-	4.45%	2	-	Additional operating capital	-	None	-	82,737,869	82,737,869	Note 5
3	DELTA ELECTRONICS (NORWAY) AS	Delta Electronics (Sweden) AB	Other receivables - related parties	Yes	61,600	-	-	3.80%	2	-	Additional operating capital	-	None	-	3,681,570	3,681,570	Note 5

Table 1-1

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023 (Note 2)	Balance at December 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 6)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
3	DELTA ELECTRONICS (NORWAY) AS	Delta Electronics (Poland) Sp. z o.o.	Other receivables - related parties	Yes	\$ 66,938	\$ 43,313	\$ 43,313	6.30%	2	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 3,681,570	\$ 3,681,570	Note 5
3	DELTA ELECTRONICS (NORWAY) AS	Eltek s.r.o.	Other receivables - related parties	Yes	329,606	329,606	329,606	4.45%	2	-	Additional operating capital	-	None	-	3,681,570	3,681,570	Note 5
3	DELTA ELECTRONICS (NORWAY) AS	Delta Electronics (Slovakia) s.r.o.	Other receivables - related parties	Yes	407,760	407,760	407,760	4.45%	2	-	Additional operating capital	-	None	-	3,681,570	3,681,570	Note 5
4	Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Other receivables - related parties	Yes	1,514,202	1,514,202	1,514,202	4.65%	2	-	Additional operating capital	-	None	-	4,414,060	4,414,060	Note 5
5	Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Other receivables - related parties	Yes	377,178	368,683	368,683	0.40%	2	-	Additional operating capital	-	None	-	1,213,868	1,213,868	Note 5
5	Delta Energy Systems (Germany) GmbH	Delta Electronics (Slovakia) s.r.o.	Other receivables - related parties	Yes	509,700	509,700	509,700	4.45%	2	-	Additional operating capital	-	None	-	1,213,868	1,213,868	Note 5
6	DET International Holding B.V.	Delta Electronics India Pvt. Ltd.	Other receivables - related parties	Yes	2,394,990	2,394,990	2,394,990	1.7%- 4%	2	-	Additional operating capital	-	None	-	7,992,372	7,992,372	Note 5
7	Delta Greentech (Netherlands) B.V.	Eltek s.r.o.	Other receivables - related parties	Yes	237,860	-	-	4.45%	2	-	Additional operating capital	-	None	-	1,189,221	1,189,221	Note 5
8	Delta Electronics (Shanghai) Co., Ltd.	Cyntec Electronics (WuHu) Co., Ltd.	Other receivables - related parties	Yes	1,965,866	951,784	951,784	3.70%	2	-	Additional operating capital	-	None	-	7,184,268	7,184,268	Note 5
8	Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Chongqing) Ltd.	Other receivables - related parties	Yes	1,903,568	605,681	605,681	4.45%	2	-	Additional operating capital	-	None	-	7,184,268	7,184,268	Note 5
8	Delta Electronics (Shanghai) Co., Ltd.	Cyntec Electronics (Suzhou) Co., Ltd.	Other receivables - related parties	Yes	865,258	-	-	3.70%	2	-	Additional operating capital	-	None	-	7,184,268	7,184,268	Note 5
9	Delta Electronics (Thailand) Public Company Limited	Delta Green Industrial (Thailand) Co., Ltd.	Other receivables - related parties	Yes	90,170	-	-	2.40%	2	-	Additional operating capital	-	None	-	60,284,130	60,284,130	Note 5

Table 1-2

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2023 (Note 2)	Balance at December 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 6)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
													Item	Value			
10	Vivotek USA, Inc.	Wellstates Investment, LLC	Other receivables - related parties	Yes	\$ 33,428	\$ 29,146	\$ 29,146	3.90%	2	\$ -	Additional operating capital	\$ -	None	\$ -	\$ 408,245	\$ 408,245	Note 5
11	Universal Instruments Corporation	Universal Instruments Mfg.(Shenzhen) Co. Ltd.	Other receivables - related parties	Yes	201,934	151,451	151,451	0.00%	2	-	Additional operating capital	-	None	-	2,764,558	2,764,558	Note 5
11	Universal Instruments Corporation	Universal Instruments (Hong Kong) Limited	Other receivables - related parties	Yes	42,607	42,607	42,607	5.50%	2	-	Additional operating capital	-	None	-	2,764,558	2,764,558	Note 5
12	TB&C Holding GmbH	TB&C Outsert International B.V.	Other receivables - related parties	Yes	41,134	-	-	4.20%	2	-	Additional operating capital	-	None	-	965,515	965,515	Note 5
13	TB&C Outsert International B.V.	TB&C Outsert Romania SRL	Other receivables - related parties	Yes	145,000	-	-	2.0%- 5.425%	2	-	Additional operating capital	-	None	-	750,800	750,800	Note 5
14	TB&C Outsert Mexico, S. De R.L. DE C.V.	TB&C Outsert International B.V.	Other receivables - related parties	Yes	78,327	78,327	78,327	4.00%	2	-	Additional operating capital	-	None	-	716,097	716,097	Note 5

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

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

Note 2: Maximum outstanding balance during the current period was translated into New Taiwan dollars using the exchange rate at December 31, 2023, which the Company reported to the Securities and Futures Bureau.

Note 3: Limit on loans granted by the Company to a single party is 20% of the Company's net assets based on the latest audited or reviewed financial statements, and limit on total loans is 40% of the Company's net assets based on the latest audited or reviewed financial statements.

Note 4: Limit on loans granted by subsidiaries to a single party is 40% of the subsidiaries' net assets based on the latest audited or reviewed financial statements, and limit on total loans is 40% of the subsidiaries' net assets based on the latest audited or reviewed financial statements.

Note 5: Limit on loans for financing granted by and to subsidiaries of which the ultimate parent directly or indirectly holds 100% of its voting shares is the lender's net assets based on the latest audited or reviewed financial statements, and limit on total loans is the lender's net assets based on the latest audited or reviewed financial statements.

Note 6: Nature of loans:

(1) Business transaction: 1.

(2) Short-term financing: 2.

Delta Electronics, Inc. and Subsidiaries  
Provision of endorsements and guarantees to others  
Year ended December 31, 2023

Table 2

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

Number (Note 1)	Endorser / guarantor	Party being endorsed/guaranteed		Limit on endorsements / guarantees provided for a single party	Maximum outstanding endorsement / guarantee amount as at December 31, 2023	Outstanding endorsement / guarantee amount at December 31, 2023	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement / guarantee amount to net asset value of the endorser / guarantor company	Ceiling on total amount of endorsements / guarantees provided	Provision of endorsements / guarantees by parent company to subsidiary	Provision of endorsements / guarantees by subsidiary to parent company	Provision of endorsements / guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the endorser / guarantor (Note 6)											
1	DELTA ELECTRONICS (NORWAY) AS	Delta Electronics (Australia) Pty Ltd	4	\$ 1,104,471	\$ 138,173	\$ 138,173	\$ 138,173	\$ -	0.07%	\$ 1,104,471	N	N	N	Note 2
2	March Networks Holdings Ltd.	March Networks, Inc.	2	131,545	14,738	14,738	14,738	-	0.01%	263,090	N	N	N	Note 3
3	TB&C Holding GmbH	TB&C Outsert Romania SRL	2	48,276	22,214	22,214	22,214	-	0.01%	48,276	N	N	N	Note 4
4	TB&C Outsert International B.V.	TB&C Outsert Mexico, S. De R.L. DE C.V.	2	262,780	233,849	233,849	233,849	-	0.12%	262,780	N	N	N	Note 5

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: In accordance with DELTA ELECTRONICS (NORWAY) AS's "Procedures for Provision of Endorsements and Guarantees," limit on total endorsements is 30% of DELTA ELECTRONICS (NORWAY) AS's net assets based on the latest audited or reviewed financial statements, and limit on endorsements to a single party is 30% of DELTA ELECTRONICS (NORWAY) AS's net assets based on the latest audited or reviewed financial statements.

Note 3: In accordance with March Networks Holdings Ltd.'s "Procedures for Provision of Endorsements and Guarantees," limit on total endorsements is 10% of March Networks Holdings Ltd.'s net assets based on the latest audited or reviewed financial statements, and limit on endorsements to a single party is 5% of March Networks Holdings Ltd.'s net assets based on the latest audited or reviewed financial statements.

Note 4: In accordance with TB&C Holding GmbH's "Procedures for Provision of Endorsements and Guarantees," limit on total endorsements is 5% of TB&C Holding GmbH's net assets based on the latest audited or reviewed financial statements, and limit on endorsements to a single party is 5% of TB&C Holding GmbH's net assets based on the latest audited or reviewed financial statements.

Note 5: In accordance with TB&C Outsert International B.V.'s "Procedures for Provision of Endorsements and Guarantees," limit on total endorsements is 35% of TB&C Outsert International B.V.'s net assets based on the latest audited or reviewed financial statements, and limit on endorsements to a single party is 35% of TB&C Outsert International B.V.'s net assets based on the latest audited or reviewed financial statements.

Note 6: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

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

Delta Electronics, Inc. and Subsidiaries  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
December 31, 2023

Table 3

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

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As at December 31, 2023				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Delta Electronics, Inc.	United Renewable Energy Co., Ltd. common stock	None	Financial assets at fair value through other comprehensive income - non-current	31,294,379	\$ 460,027	1.92%	\$ 460,027	
Delta Electronics, Inc.	Lanner Electronics Inc. common stock	None	Financial assets at fair value through other comprehensive income and Financial assets at fair value through profit or loss	26,893,540	3,025,523	18.50%	3,025,523	
Delta Electronics, Inc.	Betacera Inc. common stock, etc.	None	Financial assets at fair value through other comprehensive income and Financial assets at fair value through profit or loss	-	125,527	-	125,527	
Delta Electronics Capital Company	Evergreen Aviation Technologies Corporation common stock	None	Financial assets at fair value through profit or loss - current	2,501,000	271,359	0.67%	271,359	
Delta Electronics Capital Company	Allied Supreme Corp. common stock	None	Financial assets at fair value through profit or loss - current	421,000	137,036	0.53%	137,036	
Delta Electronics Capital Company	Tong Hsing Electronic Industries, Ltd. common stock	None	Financial assets at fair value through profit or loss - current	1,240,557	195,388	0.59%	195,388	
Delta Electronics Capital Company	AMPAK Technology, Inc. common stock	None	Financial assets at fair value through profit or loss - current	900,000	108,000	1.36%	108,000	
Delta Electronics Capital Company	Fusheng Precision Co., Ltd. common stock	None	Financial assets at fair value through profit or loss - current	844,000	174,286	0.64%	174,286	
Delta Electronics Capital Company	Acer E-Enabling Service Business Inc. common stock	None	Financial assets at fair value through profit or loss - current	547,000	161,365	1.32%	161,365	
Delta Electronics Capital Company	Nien Made Enterprise Co., Ltd. common stock	None	Financial assets at fair value through profit or loss - current	423,043	149,334	0.14%	149,334	
Delta Electronics Capital Company	UBIQCONN TECHNOLOGY, INC. common stock	None	Financial assets at fair value through profit or loss - current	4,969,311	393,669	6.63%	393,669	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As at December 31, 2023				Footnote
				Number of shares	Book value	Ownership (%)	Fair value	
Delta Electronics Capital Company	WorkWave HoldCo, Inc. common stock	None	Financial assets at fair value through profit or loss - non-current	139	\$ 129,400	0.20%	\$ 129,400	
Delta Electronics Capital Company	REALLUSION INC. common stock, etc.	None	Financial assets at fair value through profit or loss	-	1,486,325	-	1,486,325	
Delta Electronics (Netherlands) B.V.	Noda RF Technologies Co., Ltd. common stock, etc.	None	Financial assets at fair value through other comprehensive income - non-current	-	59,320	-	59,320	
Cyntec Co., Ltd.	Susumu Holdings Co., Ltd. common stock	None	Financial assets at fair value through other comprehensive income - non-current	200,000	104,081	15.35%	104,081	
Delta Electronics (Japan), Inc.	Macy Inc. common stock	None	Financial assets at fair value through other comprehensive income - non-current	74,000,000	26,972	19.79%	26,972	
Delta America, Ltd.	VPT Inc. common stock	None	Financial assets at fair value through other comprehensive income - non-current	860,000	5,373	17.52%	5,373	
Delta Electronics (H.K.) Ltd.	Zhejiang Keente Motor Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	-	349,401	19.00%	349,401	
Delta Electronics (Pingtan) Co., Ltd.	Pingtan Hi Tech Investment Development Shares Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	-	6,489	15.00%	6,489	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Zero-Error Systems Pte Ltd. preferred stock	None	Financial assets at fair value through other comprehensive income - non-current	1,761,804	92,115	12.11%	92,115	
Vivotek Inc.	Kneron Holding Corporation preferred stock	None	Financial assets at fair value through profit or loss - non-current	1,310,003	229,870	1.91%	229,870	
Atrust Computer Corporation	ACRORED TECHNOLOGIES, INC. common stock	None	Financial assets at fair value through other comprehensive income - non-current	500,000	3,780	2.38%	3,780	

Table 3-2

Delta Electronics, Inc. and Subsidiaries  
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital  
Year ended December 31, 2023

Table 4

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

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investee	Balance as at January 1, 2023		Addition		Disposal			Balance as at December 31, 2023		Footnote	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares		Amount
Delta Electronics, Inc.	Atrust Computer Corporation	Investments accounted for under equity method	CW & ET Link Inc and individuals	None	-	\$ -	28,825,000	\$ 949,711 (Note 1)	-	\$ -	\$ -	\$ -	28,825,000	\$ 949,711	
Delta Electronics (Netherlands) B.V.	Delta America Ltd.	"	Delta International Holding Limited B.V.	Affiliated enterprise	18,374,182	3,398,629	-	-	18,374,182	6,140,550	3,398,629 (Note 4)	(Note 2)	-	-	
Delta Electronics (Netherlands) B.V.	Trihedral Engineering Limited	"	Delta International Holding Limited B.V.	"	51,495	1,219,426	-	-	51,495	1,959,680	1,219,426 (Note 4)	(Note 3)	-	-	
Delta Electronics (Thailand) Public Company Limited	Delta Energy Systems (Singapore) PTE. LTD.	"	Delta Energy Systems (Singapore) PTE. LTD.	"	173,263,590	8,525,632	105,635,630	2,010,331 (Note 5)	-	-	-	-	278,899,220	10,535,963	
Delta Energy Systems (Singapore) PTE. LTD.	Delta Electronics India Pvt. Ltd.	"	Delta Electronics India Pvt. Ltd.	"	828,088,778	7,114,707	484,583,333	3,690,256 (Note 6)	-	-	-	-	1,312,672,111	10,804,963	
Delta Electronics (Netherlands) B.V.	Amerlux, LLC	"	Delta International Holding Limited B.V.	"	-	3,057,203	-	-	-	3,015,950	3,057,203 (Note 4)	(Note 7)	-	-	
Delta International Holding Limited B.V.	Digital Projection International Limited (DPIL)	"	Digital Projection International Limited (DPIL)	"	49,789,874	162,729	12,000,000	88,644 (Note 8)	-	-	-	-	61,789,874	251,373	
Digital Projection International Limited (DPIL)	Digital Projection Holdings Limited (DPHL)	"	Digital Projection Holdings Limited (DPHL)	"	40,526,221	( 295,452)	9,592,326	336,592 (Note 8)	-	-	-	-	50,118,547	41,140	
Digital Projection Holdings Limited (DPHL)	Digital Projection Limited (DPL)	"	Digital Projection Limited (DPL)	"	43,118	159,558	95,923	384,401 (Note 8)	-	-	-	-	139,041	543,959	
Delta Electronics (Netherlands) B.V.	Boom Treasure Limited	"	Boom Treasure Limited/ Drake Investment (HK) Limited	"	1	1,923,916	183,064,000	717,662 (Note 9)	183,064,001	3,084,417	2,641,578 (Note 4)	(Notes 9 and 10)	-	-	
Delta Electronics (Netherlands) B.V.	Delta Greentech SGP Pte. Ltd.	"	Boom Treasure Limited	"	12,175,470	641,153	-	-	12,175,470	717,662	641,153 (Note 4)	(Note 9)	-	-	
Delta Electronics (Netherlands) B.V.	Drake Investment (HK) Limited	"	Drake Investment (HK) Limited	"	304,504,306	5,365,615	776,552,000	2,511,710 (Note 10)	-	-	-	-	1,081,056,306	7,877,325	

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investee	Balance as at January 1, 2023		Addition		Disposal				Balance as at December 31, 2023		Footnote
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount	
Delta Electronics (Thailand) Public Company Limited	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	Investments accounted for under equity method	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	Affiliated enterprise	38,110,999	\$ 153,255	214,500,000	\$ 740,793 (Note 11)	-	\$ -	\$ -	\$ -	252,610,999	\$ 894,048	
Delta International Holding Limited B.V.	Delta Electronics (Thailand) Public Company Limited	"	The stock exchange of Thailand	None	191,984,450	14,290,766	1,727,860,050 (Note 12)	-	89,232,800	7,380,571	1,101,362 (Note 4)	(Note 13)	1,830,611,700	15,392,128	
Delta Electronics (H.K.) Ltd.	Zhejiang Keente Motor Technology Co., Ltd.	Financial assets at fair value through other comprehensive income - non-current	Future Horizon Holding Limited	"	-	-	-	349,401	-	-	-	-	-	349,401	
Cyntec Co., Ltd.	GaN Systems Inc. preferred stock	"	Infineon Technologies Canada Acquisition Inc.	"	1,454,193	89,874	-	-	1,454,193	554,179	89,874	399,303 (Note 18)	-	-	
Delta International Holding Limited B.V.	HY&T Investments Holding B.V. (NLI)	Investments accounted for under equity method	E BOKKEL BEHEER B.V. and COOPERATIEF H2 EQUITY PARTNERS FUND IV HOLDING W.A.	"	-	-	750,232,500	5,054,938 (Note 14)	-	-	-	-	750,232,500	5,054,938	
HY&T Investments Holding B.V. (NLI)	TB&C Investments B.V. (NLV)	"	TB&C Investments B.V. (NLV)	Affiliated enterprise	232,500	898,230	750,000,000	146,043 (Note 15)	-	-	-	-	750,232,500	1,044,273	
TB&C Investments B.V. (NLV)	TB&C Holding GmbH (DEH)	"	TB&C Holding GmbH (DEH)	"	21	638,427	-	327,088 (Note 16)	-	-	-	-	21	965,515	
DET International Holding B.V.	Eltek s.r.o.	"	Eltek s.r.o.	"	-	-	-	781,011 (Note 17)	-	-	-	-	-	781,011	

Note 1: Delta Electronics, Inc. increased its investment in Atrust Computer Corporation in the amount of \$950,259 in February 2023, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 2: Delta International Holding Limited B.V. (DIH) acquired a 89.74% equity interest in Delta America Ltd. from Delta Electronics (Netherlands) B.V. (DEN). The transaction resulted from the Group's adjustment in investment structure.

There was no gain or loss on disposal pursuant to related ordinances.

Note 3: Delta International Holding Limited B.V. (DIH) acquired a 100% equity interest in Trihedral Engineering Limited, from Delta Electronics (Netherlands) B.V. (DEN). The transaction resulted from the Group's adjustment in investment structure.

There was no gain or loss on disposal pursuant to related ordinances.

Note 4: Including the adjustments in investment income or loss recognised during the period and adjustments in changes of net value.

Note 5: Delta Electronics (Thailand) Public Company Limited increased its investment in Delta Energy Systems (Singapore) PTE. LTD. in the amount of \$3,293,128 in 2023, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 6: Delta Energy Systems (Singapore) PTE. LTD. increased its investment in Delta Electronics India Pvt. Ltd. in the amount of \$3,293,128 in 2023, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 7: Delta International Holding Limited B.V. (DIH) acquired a 100% equity interest in Amerlux, LLC from Delta Electronics (Netherlands) B.V. (DEN) in May 2023. The transaction resulted from the Group's adjustment in investment structure.

There was no gain or loss on disposal pursuant to related ordinances.

Note 8: Delta International Holding Limited B.V. (DIH) increased its investment in Digital Projection International Limited (DPIL) in the amount of \$369,540 in May 2023, DPIL then increased its investment in its wholly-owned subsidiary, DPHL,

and DPHL then increased its investment in its wholly-owned subsidiary, DPL, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 9: In June 2023, Boom Treasure Limited issued new shares amounting to \$717,662 for acquiring a 100% equity interest in Delta Greentech SGP Pte. Ltd. which was held by Delta Electronics (Netherlands) B.V. (DEN).

The transaction resulted from the Group's adjustment in investment structure. There were no gain or loss on disposal pursuant to related ordinances.

Note 10: In July 2023, Drake Investment (HK) Limited issued new shares amounting to \$3,084,417 for acquiring a 100% equity interest in Boom Treasure Limited which was held by Delta Electronics (Netherlands) B.V. (DEN).

The transaction resulted from the Group's adjustment in investment structure. There were no gain or loss on disposal pursuant to related ordinances.

Note 11: In September 2023, Delta Electronics (Thailand) Public Company Limited increased its investment in DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED in the amount of \$828,850, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 12: Delta Electronics (Thailand) Public Company Limited split stocks in April 2023. The par value of each share was THB 1 before the stock split and is THB 0.1 after the stock split, and thus the number of shares increased tenfold.

Note 13: It was an equity transaction, thus there was no gain or loss on disposal.

Note 14: In 2023, Delta International Holding Limited B.V. (DIH) increased its investment in HY&T Investment Holding B.V. (NLI) in the amount of \$5,453,852, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 15: In October 2023, HY&T Investments Holding B.V. (NLI) increased its investment in TB&C Investments B.V. (NLV) in the amount of \$1,727,441, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 16: In October 2023, TB&C Investments B.V. (NLV) increased its investment in TB&C Holding GmbH (DEH) in the amount of \$701,757, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 17: In October 2023, DET International Holding B.V. increased its investment in Eltek s.r.o. in the amount of \$757,564, which included investment income or loss recognised during the period and adjustments in changes of net value.

Note 18: It pertains to the disposal of financial assets at fair value through other comprehensive income, and the disposal gain or loss net of the tax effect was recognised in other comprehensive income.

Delta Electronics, Inc. and Subsidiaries  
Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more  
Year ended December 31, 2023

Table 5 Expressed in thousands of New Taiwan dollars, except as otherwise indicated

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
							Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount			
Delta Electronics India Pvt. Ltd.	India KG SEZ F6 Factory Building	March 25, 2023	\$ 645,670	In accordance with the contract terms	Furein Construction Engineering Pvt etc	None	-	-	-	\$ -	Price comparison and negotiation	For future business development	None
Delta Electronics India Pvt. Ltd.	India KG DTA F2 Factory Building	March 25, 2023	659,743	"	"	"	-	-	-	-	"	"	"
DELTA ELECTRONICS (USA) INC.	Land and buildings in Texas, U.S.A	July 6, 2023	319,400	"	GBP LOTUS PLANO, LLC	"	-	-	-	-	By reference to the price quoted by the professional appraisal agency and market value	"	"
Delta Electronics (Chongqing) Ltd.	The civil work for Plant 1	October 24, 2023	1,632,309	"	Suzhou Tongli Architecture Co., Ltd.	"	-	-	-	-	Price comparison and negotiation	"	"
Delta Electronics (Thailand) Public Company Limited	The civil work for Plant WG4	December 5, 2023	991,870	"	New Nanyang Construction Co., Ltd.	"	-	-	-	-	"	"	"

Delta Electronics, Inc. and Subsidiaries  
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of the Company's paid-in capital or more  
Year ended December 31, 2023

Table 6

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

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics, Inc.	Delta Electronics (Australia) Pty Ltd	Subsidiary	Operating revenue	\$ 166,859	0.19	70 days			\$ 44,335	0.29	
Delta Electronics, Inc.	Delta Electronics (Jiangsu) Ltd.	Subsidiary	Operating revenue	620,340	0.71	70 days after issuing invoice			609,966	3.99	
Delta Electronics, Inc.	Delta Electronics (Shanghai) Co., Ltd.	Subsidiary	Operating revenue	182,890	0.21	70 days after issuing invoice			180,344	1.18	
Delta Electronics, Inc.	Delta Greentech (China) Co., Ltd.	Subsidiary	Operating revenue	130,767	0.15	70 days			52,652	0.34	
Delta Electronics, Inc.	Cyntec Electronics (Suzhou) Co., Ltd.	Subsidiary	Operating revenue	232,318	0.27	70 days			2,200	0.01	
Delta Electronics, Inc.	Delta Electronics India Pvt. Ltd.	Subsidiary	Operating revenue	280,318	0.32	90 days after delivery			57,561	0.38	
Delta Electronics, Inc.	Delta Electronics (Japan), Inc.	Subsidiary	Operating revenue	221,049	0.25	70 days			81,428	0.53	
Delta Electronics, Inc.	Addtron Technology (Japan), Inc.	Subsidiary	Operating revenue	452,338	0.52	70 days			109,315	0.71	
Delta Electronics, Inc.	Delta Electronics (Korea), Inc.	Subsidiary	Operating revenue	165,221	0.19	70 days			120,834	0.79	
Delta Electronics, Inc.	Delta Electronics (Netherlands) B.V.	Subsidiary	Operating revenue	975,019	1.12	70 days			126,501	0.83	
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Subsidiary	Operating revenue	20,775,297	23.80	70 days			2,024,475	11.93	
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Subsidiary	Operating revenue	6,014,760	6.89	70 days			2,008,219	13.13	
Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	Operating revenue	7,695,077	8.82	90 days after delivery			1,860,255	12.16	

Table 6-1

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics, Inc.	Delta Electronics (Americas) Ltd.	Subsidiary	Operating revenue	\$ 4,278,039	4.90	70 days			\$ 1,356,148	8.87	
Delta Electronics, Inc.	Delta Electronics (USA) Inc.	Subsidiary	Operating revenue	212,771	0.24	70 days			42,032	0.27	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	196,988	0.48	70 days			135,022	2.47	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	5,556,153	13.50	70 days			1,410,619	25.79	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	35,329,642	85.92	70 days			3,922,497	71.72	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	18,493,532	24.34	70 days			4,739,083	51.05	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	496,998	0.65	70 days			111,391	1.20	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Chongqing) Ltd.	Affiliated enterprise	Operating revenue	123,708	0.16	70 days			44,576	0.48	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	56,671,678	74.59	70 days			4,302,019	46.34	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	116,634	0.37	70 days			16,284	0.20	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	301,367	0.96	70 days			51,218	0.64	
Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	Operating revenue	13,953,780	44.59	70 days			3,911,743	48.65	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Pingtan) Co., Ltd.	Affiliated enterprise	Operating revenue	2,631,490	8.41	70 days			715,590	8.90	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,385,272	4.43	70 days			124,729	1.55	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	552,174	1.77	70 days			155,169	1.93	

Table 6-2

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Greentech (China) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	\$ 199,911	0.63	70 days			\$ 13,745	0.32	
Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	5,704,885	98.49	70 days			585,107	97.68	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	374,712	5.68	70 days			83,050	9.76	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	6,214,952	94.32	70 days			760,134	89.35	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	615,215	10.94	70 days			166,662	15.62	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	5,007,614	89.06	70 days			900,062	84.37	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	1,944,324	55.31	70 days			424,496	62.46	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	652,510	18.57	70 days			155,462	22.87	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	897,280	25.50	70 days			94,103	13.85	
Delta Electronics (Chongqing) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	903,021	99.98	70 days			129,762	99.83	
Cyntec Co., Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	2,188,359	25.87	70 days			644,355	34.85	
Cyntec Co., Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Operating revenue	204,777	2.42	90 days after delivery			69,424	3.75	
Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	12,430,157	100.00	70 days			1,081,934	99.99	
Cyntec Electronics (WuHu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	3,877,114	100.00	70 days			312,328	100.00	
Delta Energy Systems (Germany) GmbH	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	1,937,896	76.01	70 days			-	-	

Table 6-3

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
DELTA ELECTRONICS (France) SAS	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Operating revenue	\$ 105,694	7.20	70 days			\$ 34,728	14.04	
Delta Energy Systems (UK) Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	104,648	100.00	70 days			9,105	100.00	
Delta Electronics India Pvt. Ltd.	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	Affiliated enterprise	Operating revenue	252,751	2.27	70 days			213,516	8.40	
Delta Electronics India Pvt. Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	2,386,791	21.33	70 days			806,157	31.71	
Delta Electronics India Pvt. Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	240,112	2.16	70 days			15,744	0.62	
Delta Electronics (Japan), Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,039,537	20.53	70 days			135,285	13.98	
Delta Electronics (Japan), Inc.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	129,083	2.55	70 days			25,489	2.63	
Delta Electronics (Netherlands) B.V.	Delta Electronics (Italy) S.r.l.	Affiliated enterprise	Operating revenue	445,195	5.12	70 days			29,404	1.85	
Delta Electronics (Netherlands) B.V.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	813,227	9.30	70 days			115,122	7.24	
Delta Electronics (Netherlands) B.V.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	137,819	1.58	70 days			18,329	1.15	
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Affiliated enterprise	Operating revenue	739,449	8.47	180 days			393,845	24.77	
DELTA ELECTRONICS (NORWAY) AS	ELTEK MEA DMCC	Affiliated enterprise	Operating revenue	219,144	5.24	70 days			70,312	9.88	
DELTA ELECTRONICS (NORWAY) AS	DELTA Electronics (Germany) GmbH	Affiliated enterprise	Operating revenue	750,014	17.90	70 days			77,523	10.90	
DELTA ELECTRONICS (NORWAY) AS	DELTA ELECTRONICS (France) SAS	Affiliated enterprise	Operating revenue	544,570	12.98	70 days			111,212	15.63	
DELTA ELECTRONICS (NORWAY) AS	DELTA ELECTRONICS (UK) LTD	Affiliated enterprise	Operating revenue	430,808	10.30	70 days			52,273	7.35	

Table 6-4

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
DELTA ELECTRONICS (NORWAY) AS	Delta Electronics (Poland) Sp. z o.o.	Affiliated enterprise	Operating revenue	\$ 155,149	3.70	70 days			\$ 69,167	9.72	
DELTA ELECTRONICS (NORWAY) AS	Delta Electronics (Sweden) AB	Affiliated enterprise	Operating revenue	244,518	5.85	70 days			17,207	2.42	
DELTA ELECTRONICS (NORWAY) AS	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	225,627	5.36	70 days			935	0.13	
DELTA ELECTRONICS (NORWAY) AS	Eltek s.r.o.	Affiliated enterprise	Operating revenue	245,664	5.87	70 days			28,742	4.04	
Delta Electronics (Poland) Sp. z o.o.	DELTA ELECTRONICS (NORWAY) AS	Affiliated enterprise	Operating revenue	153,286	22.06	70 days			13,224	10.84	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Australia) Pty Ltd	Affiliated enterprise	Operating revenue	945,181	0.40	70 days			187,227	0.35	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS BRASIL LTDA.	Affiliated enterprise	Operating revenue	251,216	0.11	90 days after delivery			81,750	0.15	
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK SISTEMAS DE ENERGIA INDUSTRIA E COMERCIO LTDA.	Affiliated enterprise	Operating revenue	179,832	0.08	90 days after delivery			81,532	0.15	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Switzerland) AG	Affiliated enterprise	Operating revenue	2,293,525	0.98	70 days			724,334	1.37	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	21,304,360	9.11	70 days			6,208,857	11.75	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	25,217,049	10.77	70 days			1,470,001	2.78	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Networks (Dongguan) Ltd.	Affiliated enterprise	Operating revenue	4,443,883	1.91	70 days			-	-	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	4,775,056	2.04	70 days			509,709	0.96	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	3,091,662	1.32	70 days			920,038	1.74	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Chenzhou Delta Technology Co., Ltd.	Affiliated enterprise	Operating revenue	296,183	0.13	70 days			41,504	0.08	

Table 6-5

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chongqing) Ltd.	Affiliated enterprise	Operating revenue	\$ 339,612	0.14	70 days			\$ 74,751	0.14	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Co., Ltd.	Affiliated enterprise	Operating revenue	2,146,253	0.91	70 days			1,159,709	2.19	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Electronics (Suzhou) Co., Ltd.	Affiliated enterprise	Operating revenue	488,101	0.21	70 days			94,808	0.18	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Electronics (WuHu) Co., Ltd.	Affiliated enterprise	Operating revenue	146,918	0.06	70 days			33,927	0.06	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics Solutions (Spain) SL	Affiliated enterprise	Operating revenue	242,985	0.10	150 days			132,865	0.25	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Solutions (Finland) Oy	Affiliated enterprise	Operating revenue	117,079	0.05	70 days			15,115	0.03	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (France) SAS	Affiliated enterprise	Operating revenue	174,235	0.07	70 days			32,829	0.06	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Digital Projection Limited	Affiliated enterprise	Operating revenue	225,186	0.10	75 days after delivery			105,332	0.20	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	Operating revenue	1,681,272	0.72	90 days after delivery			456,493	0.86	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Italy) S.r.l.	Affiliated enterprise	Operating revenue	201,866	0.09	70 days			41,551	0.08	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Japan), Inc.	Affiliated enterprise	Operating revenue	2,679,397	1.14	70 days			552,407	1.05	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Addtron Technology (Japan), Inc.	Affiliated enterprise	Operating revenue	232,954	0.10	70 days			138,429	0.26	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Korea), Inc.	Affiliated enterprise	Operating revenue	254,267	0.11	70 days			70,502	0.13	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics International Mexico, S.A. de C.V.	Affiliated enterprise	Operating revenue	256,022	0.11	70 days			135,749	0.26	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Operating revenue	3,257,558	1.40	70 days			533,857	1.01	

Table 6-6

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (NORWAY) AS	Affiliated enterprise	Operating revenue	\$ 1,057,142	0.46	70 days			\$ 119,708	0.23	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Slovakia) s.r.o.	Affiliated enterprise	Operating revenue	1,478,091	0.63	70 days			301,664	0.57	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	4,060,815	1.73	70 days			897,652	1.70	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	23,360,828	9.99	70 days			7,207,937	13.64	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Operating revenue	14,938,260	6.38	90 days after delivery			5,478,193	10.37	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	Operating revenue	3,131,072	1.33	70 days			1,052,003	1.99	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (USA) Inc.	Affiliated enterprise	Operating revenue	3,102,873	1.32	70 days			895,659	1.69	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Vietnam) Company Limited	Affiliated enterprise	Operating revenue	114,396	0.05	70 days			82,451	0.16	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	Operating revenue	1,415,364	24.58	70 days			335,879	17.29	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	2,634,274	44.97	70 days			1,082,408	55.71	
Delta Electronics (Slovakia) s.r.o.	Eltek s.r.o.	Affiliated enterprise	Operating revenue	513,956	8.87	70 days			206,514	10.63	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	1,207,382	20.80	70 days			308,310	15.87	
Eltek s.r.o.	DELTA ELECTRONICS (NORWAY) AS	Affiliated enterprise	Operating revenue	1,550,444	48.29	70 days			48,342	8.07	
Eltek s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,644,417	51.20	70 days			534,207	89.17	
Delta Electronics (Thailand) Public Company Limited	Delta Energy Systems (Germany) GmbH	Affiliated enterprise	Operating revenue	509,342	0.47	70 days			19,339	0.06	

Table 6-7

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	Operating revenue	\$ 542,385	0.50	90 days after delivery			\$ 323,155	1.06	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Japan), Inc.	Affiliated enterprise	Operating revenue	266,421	0.24	70 days			51,541	0.17	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	1,486,115	1.36	70 days			457,391	1.50	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Slovakia) s.r.o.	Affiliated enterprise	Operating revenue	436,237	0.40	70 days			45,823	0.15	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	184,945	0.17	70 days			77,121	0.25	
Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Operating revenue	34,111,273	31.17	90 days after delivery			13,334,830	43.77	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Americas) Ltd.	Affiliated enterprise	Operating revenue	1,079,522	0.99	70 days			177,450	0.58	
Delta Green Industrial (Thailand) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	131,660	32.25	70 days			-	-	
DEI Logistics (USA) Corp.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	133,499	0.56	70 days			2,032	0.05	
Delta Electronics (Americas) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	499,998	3.41	70 days			8,950	0.37	
Delta Electronics (Americas) Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	810,408	5.50	70 days			89,499	3.73	
Digital Projection Inc.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	Operating revenue	263,991	43.38	70 days			-	-	
Delta Electronics (Automotive) Americas Inc.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	257,013	100.00	70 days			-	-	
Delta Electronics (USA) Inc.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	Operating revenue	319,896	3.34	70 days			220,943	12.67	

Table 6-8

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
March Networks Corporation	March Networks, Inc.	Affiliated enterprise	Operating revenue	\$ 1,374,584	75.04	30 days	Note 1	Note 1	\$ 271,567	55.69	
March Networks Corporation	March Networks S.r.l.	Affiliated enterprise	Operating revenue	144,519	7.89	30 days	Note 2	Note 2	11,677	2.39	
Vivotek Inc.	Vivotek USA, INC.	Affiliated enterprise	Operating revenue	452,140	5.00	75 days	Note 3	Note 3	100,717	9.00	

Note 1: March Networks Corporation determined the prices and terms of goods sold to March Networks, Inc. based on the economic conditions and market competitiveness of the sales area, and there is no comparable prices and terms available for the goods sold to third parties.

Note 2: March Networks Corporation determined the prices and terms of goods sold to March Networks S.r.l. based on the economic conditions and market competitiveness of the sales area, and there is no comparable prices and terms available for the goods sold to third parties.

Note 3: Vivotek Inc. determined the prices and terms of goods sold to Vivotek USA, Inc. based on the economic conditions and market competitiveness of the sales area, and there is no comparable prices and terms available for the goods sold to third parties.

Delta Electronics, Inc. and Subsidiaries  
Receivables from related parties reaching \$100 million or 20% of the Company's paid-in capital or more  
December 31, 2023

Table 7

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

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Electronics, Inc.	Delta Electronics (Jiangsu) Ltd.	Subsidiary	\$ 609,966	1.01	\$ -		\$ 67	
Delta Electronics, Inc.	Delta Electronics (Shanghai) Co., Ltd.	Subsidiary	180,344	0.61	-		-	
Delta Electronics, Inc.	Addtron Technology (Japan), Inc.	Subsidiary	109,315	8.28	-		109,315	
Delta Electronics, Inc.	Delta Electronics (Korea), Inc.	Subsidiary	120,834	2.66	-		120,834	
Delta Electronics, Inc.	Delta Electronics (Netherlands) B.V.	Subsidiary	126,501	9.29	-		104,214	
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Subsidiary	2,305,179	0.72	-		2,305,179	
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Subsidiary	2,008,219	4.63	158,861		1,727,922	
Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	1,860,255	2.85	-		635,080	
Delta Electronics, Inc.	Delta Electronics (Americas) Ltd.	Subsidiary	1,356,148	3.38	3,615		1,356,148	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	135,022	1.82	151		66,992	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	1,410,619	4.00	-		507,092	
Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	3,922,497	9.96	-		3,922,497	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	4,739,083	3.93	-		1,387,455	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	111,391	3.68	-		37,488	
Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	4,302,019	11.47	-		2,005,477	
Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	3,911,743	5.17	-		1,126,234	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Pingtan) Co., Ltd.	Affiliated enterprise	715,590	3.37	-		248,523	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	124,729	7.96	-		124,729	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	155,169	3.97	-		48,027	

Table 7-1

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	\$ 585,107	4.44	\$ -		\$ 252,137	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	760,134	6.86	-		630,484	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	166,662	3.40	-		81,927	
Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	900,062	5.16	-		669,865	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	424,496	5.38	2		138,586	
Chenzhou Delta Technology Co., Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	155,462	4.59	-		240	
Delta Electronics (Chongqing) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	129,762	9.08	-		129,762	
Cyntec Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	145,208	-	-		145,208	
Cyntec Co., Ltd.	Delta Electronics, Inc.	Ultimate parent company	644,355	3.43	-		447,058	
Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	1,081,934	11.22	-		1,080,696	
Cyntec Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	312,328	9.78	-		312,328	
Delta Electronics India Pvt. Ltd.	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	Affiliated enterprise	213,516	2.37	6,624		19,503	
Delta Electronics India Pvt. Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	806,157	4.99	145		302,976	
Delta Electronics (Japan), Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	135,285	7.31	-		135,285	
Delta Electronics (Myanmar) Co., Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	101,454	0.84	-		-	
Delta Electronics (Netherlands) B.V.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	115,122	12.92	56,993		83,069	
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Affiliated enterprise	393,845	1.59	74,638		95,447	
DELTA ELECTRONICS (NORWAY) AS	DELTA ELECTRONICS (France) SAS	Affiliated enterprise	111,212	4.05	-		34,521	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Australia) Pty Ltd	Affiliated enterprise	187,227	6.51	10		158,349	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Switzerland) AG	Affiliated enterprise	724,334	3.35	-		412,925	

Table 7-2

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	\$ 6,208,857	3.80	\$ 1,340,922		\$ 2,802,301	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	1,580,870	10.01	-		1,580,870	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	509,709	7.32	-		509,709	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Chenzhou) Co., Ltd.	Affiliated enterprise	920,038	3.09	208,894		309,494	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Cyntec Co., Ltd.	Affiliated enterprise	1,159,709	2.79	2,311		146,922	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics Solutions (Spain) SL	Affiliated enterprise	132,865	1.99	-		23,615	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Digital Projection Limited	Affiliated enterprise	105,332	1.98	-		64,489	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	456,493	2.40	1,291		146,689	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Japan), Inc.	Affiliated enterprise	552,407	4.33	808		300,264	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Addtron Technology (Japan), Inc.	Affiliated enterprise	138,429	3.36	-		54	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics International Mexico, S.A. de C.V.	Affiliated enterprise	135,749	2.30	-		47,616	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	533,857	5.82	-		380,439	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DELTA ELECTRONICS (NORWAY) AS	Affiliated enterprise	119,708	4.31	-		47,380	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Slovakia) s.r.o.	Affiliated enterprise	301,664	5.03	9,831		105,947	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	897,652	5.42	51,734		639,462	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	7,207,937	2.67	286,288		2,486,849	
Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	5,478,193	2.93	53,736		2,131,116	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	1,052,003	2.61	-		1,052,003	
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (USA) Inc.	Affiliated enterprise	895,659	1.73	-		530,456	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	335,879	3.21	-		219,458	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	1,082,408	3.53	802		879,251	

Table 7-3

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Delta Electronics (Slovakia) s.r.o.	Eltek s.r.o.	Affiliated enterprise	\$ 206,514	2.54	\$ -		\$ 152,649	
Delta Electronics (Slovakia) s.r.o.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	308,310	4.47	-		225,907	
Eltek s.r.o.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	534,207	4.41	7,257		344,230	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	323,155	2.47	66,245		62,955	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	457,391	4.14	65,404		174,277	
Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	13,334,830	2.75	2,572,076		4,259,092	
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Americas) Ltd.	Affiliated enterprise	177,450	3.31	205		145,664	
Vivotek Inc.	Vivotek USA, Inc.	Affiliated enterprise	110,461	2.44	2,326		45,992	
Delta Electronics (USA) Inc.	Delta Electronics (Americas) Ltd.	Affiliated enterprise	220,943	2.90	115		91,920	
Delta International Holding Limited B.V.	Delta Controls Inc.	Affiliated enterprise	431,880	-	-		-	
Delta International Holding Limited B.V.	Delta Electronics (H.K.) Ltd.	Affiliated enterprise	13,324,104	-	-		-	
Delta International Holding Limited B.V.	Delta Electronics (Netherlands) B.V.	Affiliated enterprise	784,001	-	-		-	
Delta International Holding Limited B.V.	Amerlux, LLC	Affiliated enterprise	829,035	-	-		-	
Delta International Holding Limited B.V.	Delta Electronics (USA) Inc.	Affiliated enterprise	871,763	-	-		-	
DET International Holding B.V.	Delta Electronics India Pvt. Ltd.	Affiliated enterprise	2,394,990	-	-		-	
Delta Electronics (Shanghai) Co., Ltd.	Delta Electronics (Chongqing) Ltd.	Affiliated enterprise	624,847	-	-		-	
Delta Electronics (Shanghai) Co., Ltd.	Cyntec Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	973,598	-	281		-	
Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	1,554,492	-	-		-	
Fairview Assets Ltd.	Delta Controls Inc.	Affiliated enterprise	1,573,277	-	-		-	
Fairview Assets Ltd.	Delta Electronics (H.K.) Ltd.	Affiliated enterprise	9,806,291	-	-		-	

Table 7-4

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance date (Note 2)	Allowance for doubtful accounts
					Amount	Action taken		
Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	\$ 11,829,812	-	\$ -		\$ -	
Delta Energy Systems (Germany) GmbH	Delta Energy Systems Property (Germany) GmbH	Affiliated enterprise	368,683	-	-		-	
Delta Energy Systems (Germany) GmbH	Delta Electronics (Slovakia) s.r.o.	Affiliated enterprise	509,700	-	-		-	
DELTA ELECTRONICS (NORWAY) AS	Delta Electronics (Slovakia) s.r.o.	Affiliated enterprise	407,760	-	-		-	
DELTA ELECTRONICS (NORWAY) AS	Eltek s.r.o.	Affiliated enterprise	329,606	-	-		-	
March Networks Corporation	March Networks, Inc.	Affiliated enterprise	271,567	4.58	-		211,740	
Universal Instruments Corporation	Universal Instruments Mfg.(Shenzhen) Co. Ltd.	Affiliated enterprise	292,235	0.90	-		-	
TB&C Outsert Center GmbH	TB&C Holding GmbH	Affiliated enterprise	292,183	-	-		-	

Note 1: Including other receivables in excess of \$100,000.

Note 2: The amount represents collections subsequent to December 31, 2023 up to February 29, 2024.

Delta Electronics, Inc. and Subsidiaries  
Significant inter-company transactions during the reporting period  
Year ended December 31, 2023

Table 8

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

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 7)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Subsidiary	Operating revenue	\$ 20,775,297	(Note 4)	5.18
0	Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Subsidiary	Operating revenue	6,014,760	(Note 4)	1.50
0	Delta Electronics, Inc.	DEI Logistics (USA) Corp.	Subsidiary	Operating revenue	7,695,077	(Note 5)	1.92
0	Delta Electronics, Inc.	Delta Electronics (Americas) Ltd.	Subsidiary	Operating revenue	4,278,039	(Note 4)	1.07
1	Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	5,556,153	(Note 4)	1.38
1	Delta Electronics (Dongguan) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	35,329,642	(Note 4)	8.81
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Operating revenue	18,493,532	(Note 4)	4.61
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	56,671,678	(Note 4)	14.12
3	Delta Electronics (Shanghai) Co., Ltd.	Delta Greentech (China) Co., Ltd.	Affiliated enterprise	Operating revenue	13,953,780	(Note 4)	3.48
4	Delta Networks (Dongguan) Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	5,704,885	(Note 4)	1.42
5	Delta Electronics (Wuhu) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	6,214,952	(Note 4)	1.55
6	Delta Electronics (Chenzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	5,007,614	(Note 4)	1.25
7	Cyntec Electronics (Suzhou) Co., Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Operating revenue	12,430,157	(Note 4)	3.10
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Operating revenue	21,304,360	(Note 4)	5.31

Table 8-1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 7)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Jiangsu) Ltd.	Affiliated enterprise	Operating revenue	\$ 25,217,049	(Note 4)	6.28
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Networks (Dongguan) Ltd.	Affiliated enterprise	Operating revenue	4,443,883	(Note 4)	1.11
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Wuhu) Co., Ltd.	Affiliated enterprise	Operating revenue	4,775,056	(Note 4)	1.19
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Affiliated enterprise	Operating revenue	4,060,815	(Note 4)	1.01
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Operating revenue	23,360,828	(Note 4)	5.82
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Operating revenue	14,938,260	(Note 5)	3.72
9	Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Operating revenue	34,111,273	(Note 5)	8.50
2	Delta Electronics (Jiangsu) Ltd.	Delta Electronics (Shanghai) Co., Ltd.	Affiliated enterprise	Accounts receivable	4,739,083	(Note 4)	1.04
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Dongguan) Co., Ltd.	Affiliated enterprise	Accounts receivable	6,208,857	(Note 4)	1.36
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics, Inc.	Ultimate parent company	Accounts receivable	7,207,937	(Note 4)	1.57
8	Delta Electronics Int'l (Singapore) Pte. Ltd.	DEI Logistics (USA) Corp.	Affiliated enterprise	Accounts receivable	5,478,193	(Note 5)	1.20
9	Delta Electronics (Thailand) Public Company Limited	DET Logistics (USA) Corporation	Affiliated enterprise	Accounts receivable	13,334,830	(Note 5)	2.91
10	Delta International Holding Limited B.V.	Delta Electronics (H.K.) Ltd.	Affiliated enterprise	Other receivables - related parties	13,324,104	(Note 6)	2.91
11	Fairview Assets Ltd.	Delta Electronics (H.K.) Ltd.	Affiliated enterprise	Other receivables - related parties	9,806,291	(Note 6)	2.14

Table 8-2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount (Note 7)	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
11	Fairview Assets Ltd.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Affiliated enterprise	Other receivables - related parties	\$ 11,829,812	(Note 6)	2.58

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

(1) Parent company is '0'.

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

Note 2: Relationship between transaction company and counterparty is classified into the following three categories:

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: There is no similar transaction to compare with. It will follow the agreed price and transaction terms and all the credit terms are 70 days.

Note 5: It will follow the agreed price and transaction terms, and all the credit terms are 90 days after delivery.

Note 6: Lending of capital.

Note 7: The disclosure requirement for the above disclosed amounts is 1% of the consolidated total assets for balance sheet accounts and 1% of the consolidated total revenue for income statement accounts.

Delta Electronics, Inc. and Subsidiaries  
Information on investees  
Year ended December 31, 2023

Table 9

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

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Delta Electronics, Inc.	Delta International Holding Limited B.V.	Netherlands	Equity investments	\$ 8,922,118	\$ 8,922,118	67,680,000	100.00	\$ 82,861,679	\$ 3,173,254	\$ 3,066,008	(Note 6)
Delta Electronics, Inc.	Delta Networks Holding Limited	Cayman Islands	Equity investments	-	29,582	1	100.00	2,425	95,099	95,099	(Note 6)
Delta Electronics, Inc.	Delta Electronics (Netherlands) B.V.	Netherlands	Sales of power products, display solution products, electronic components, industrial automation products and materials	4,529,355	4,529,355	128,492,272	100.00	32,422,090	4,197,427	4,051,945	(Note 6)
Delta Electronics, Inc.	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	4,780,487	4,780,487	691,281,400	5.54	5,644,633	16,411,727	797,668	(Note 6 and Note 13)
Delta Electronics, Inc.	Cyntec Co., Ltd.	Taiwan	Research, development, manufacturing and sales of film optic-electronic devices	12,067,931	12,067,931	2,341,204,333	100.00	38,066,466	1,892,247	1,902,180	(Note 6)
Delta Electronics, Inc.	DelBio Inc.	Taiwan	Manufacturing, wholesale and retail of medical equipment	900,000	900,000	21,761,836	100.00	132,694	(48,342)	(48,184)	(Note 6)
Delta Electronics, Inc.	Delta Electronics Capital Company	Taiwan	Equity investments	3,253,241	3,253,241	391,967,176	100.00	4,689,466	751,599	751,599	(Note 6)
Delta Electronics, Inc.	Delta Electronics Int'l (Singapore) Pte. Ltd.	Singapore	Research, development and sales of electronic products	34,498	34,498	45,234,240	100.00	72,290,479	18,435,016	18,815,324	(Note 6)
Delta Electronics, Inc.	Delta America Ltd.	U.S.A.	Equity investments	103,065	103,065	2,100,000	10.26	236,688	544,382	49,106	(Note 6 and Note 9)
Delta Electronics, Inc.	Vivotek Inc.	Taiwan	Manufacturing and sales of video compression software and encoding, network video server, webcam and its related components	4,471,534	4,471,534	49,128,058	56.75	4,445,816	489,271	219,367	(Note 6)
Delta Electronics, Inc.	Chunghwa SEA Holdings	Taiwan	Equity investments	8,800	8,800	880,000	44.00	8,164	(420)	(185)	(Note 6)
Delta Electronics, Inc.	Delmind Inc.	Taiwan	Provide vertical add-on value solution	210,000	210,000	21,000,000	70.00	186,636	(13,118)	(9,183)	(Note 6)
Delta Electronics, Inc.	Ancora Semiconductors Inc.	Taiwan	Gallium Nitride (GaN) technologies and solutions	470,000	470,000	37,000,000	67.03	209,798	(288,804)	(193,585)	(Note 6 and Note 22)
Delta Electronics, Inc.	Delta Energy Inc.	Taiwan	Energy technology services	200,000	-	20,000,000	100.00	188,277	(11,723)	(11,723)	(Note 6 and Note 18)
Delta Electronics, Inc.	Atrust Computer Corporation	Taiwan	Research, development, manufacturing and sales of Thin Client, Zero Client, server and management software	950,259	-	28,825,000	55.02	949,711	36,673	(1,022)	(Note 6 and Note 18)
Delta Electronics, Inc.	Power Forest Technology Corporation	Taiwan	IC design of power management	112,500	-	5,000,000	21.20	39,095	(147,785)	(20,854)	(Note 6, Note 18 and Note 26)
Atrust Computer Corporation	APLUS COMPUTER (SAMOA) COMPANY LIMITED	Samoa	Equity investments	69,086	52,720	800,000	100.00	8,339	(4,022)	(4,022)	(Note 6 and Note 23)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Delta Electronics Capital Company	Ancora Semiconductors Inc.	Taiwan	Gallium Nitride (GaN) technologies and solutions	\$ 40,000	\$ 40,000	4,000,000	7.25	\$ 35,871	(\$ 288,804)	(\$ 20,938)	(Note 6 and Note 22)
Delta International Holding Limited B.V.	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	12,612,233	13,227,014	1,830,611,700	14.68	15,392,128	16,411,727	2,254,337	(Note 1 and Note 13)
Delta International Holding Limited B.V.	DEI Logistics (USA) Corp.	U.S.A.	Warehousing and logistics services	88,154	88,154	1,000,000	100.00	249,090	( 176)	( 176)	(Note 1)
Delta International Holding Limited B.V.	Delta Electronics (Japan), Inc.	Japan	Sales of power products, display solution products, electronic components, industrial automation products and materials	87,784	87,784	5,600	100.00	1,097,193	303,346	303,345	(Note 1)
Delta International Holding Limited B.V.	Digital Projection International Limited	Britain	Equity investments	802,213	433,753	61,789,874	100.00	251,373	( 17,615)	( 43,017)	(Note 1)
Delta International Holding Limited B.V.	Delta Electronics (Switzerland) AG	Switzerland	Equity investments, research, development and sales of electronic products	624,675	624,675	10,000	100.00	682,050	105,304	98,881	(Note 1)
Delta International Holding Limited B.V.	DELTA ELECTRONICS HOLDING (USA) INC.	U.S.A.	Equity investments	2,096,842	2,096,842	1,060,624	100.00	3,172,981	148,297	193,189	(Note 1)
Delta International Holding Limited B.V.	DELTA ELECTRONICS (NORWAY) AS	Norway	Research, development and sales of power supplies and others	15,265,528	15,265,528	93,531,101	100.00	11,293,319	371,997	( 393,078)	(Note 1)
Delta International Holding Limited B.V.	Delta Controls Inc.	Canada	Provide solutions to building management and control	2,302,875	2,302,875	75,000,000	100.00	2,908,792	47,502	47,502	(Note 1)
Delta International Holding Limited B.V.	Delta Electronics Europe Ltd.	Britain	Repair centre and providing support services	-	112,380	-	-	-	-	-	(Note 1 and Note 19)
Delta International Holding Limited B.V.	March Networks Holdings Ltd.	Canada	Equity investments	3,824,656	3,824,656	10,000	100.00	3,642,529	43,447	( 72,213)	(Note 1)
Delta International Holding Limited B.V.	UI Acquisition Holding Co.	U.S.A.	Equity investments	2,867,847	2,867,847	334	100.00	2,588,670	( 388,060)	( 431,925)	(Note 1)
Delta International Holding Limited B.V.	Delta America Ltd.	U.S.A.	Equity investments	1,585,344	-	18,374,182	89.74	3,882,447	544,382	330,003	(Note 1, Note 9 and Note 20)
Delta International Holding Limited B.V.	Trihedral Engineering Limited	Canada	Graphic control software and related engineering services	1,095,387	-	51,495	100.00	1,315,642	119,568	75,319	(Note 1 and Note 20)
Delta International Holding Limited B.V.	Amerlux, LLC	U.S.A.	Design and production of dedicated lighting system and facilities	3,000,462	-	-	100.00	3,086,387	83,285	21,595	(Note 1 and Note 24)
Delta International Holding Limited B.V.	HY&T Investment Holding B.V.	Netherlands	Equity investments	5,189,129	-	750,232,500	100.00	5,054,938	( 129,404)	( 181,639)	(Note 1 and Note 18)
Delta America Ltd.	Delta Electronics (Americas) Ltd.	U.S.A.	Sales of electronic components	231,954	231,954	250,000	100.00	2,184,859	486,082	486,082	(Note 15)

Table 9-2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Digital Projection International Ltd.	Digital Projection Holdings Limited	Britain	Equity investments	\$ 610,953	\$ 235,413	50,118,547	100.00	\$ 41,140	\$ (17,621)	\$ (17,621)	(Note 17)
Delta Electronics (H.K.) Ltd.	Delta Electronics International Mexico, S.A. de C.V.	Mexico	Sales of power management system of industrial automation product and telecommunications equipment	300,810	300,810	2,733,483	100.00	292,416	24,631	24,630	(Note 2)
Delta Electronics (Netherlands) B.V.	Delta Electronics (H.K.) Ltd.	Hong Kong	Equity investments, operations management and engineering services	10,083,433	10,083,433	2,549,297,600	100.00	24,907,793	3,534,190	3,534,190	(Note 8)
Delta Electronics (Netherlands) B.V.	Boom Treasure Limited	Hong Kong	Equity investments	-	2,675,047	-	-	-	70,804	(28,716)	(Note 8 and Note 27)
Delta Electronics (Netherlands) B.V.	Drake Investment (HK) Limited	Hong Kong	Equity investments	8,326,162	5,284,832	1,081,056,306	100.00	7,877,325	158,779	154,050	(Note 8)
Delta Electronics (Netherlands) B.V.	Delta America Ltd.	U.S.A.	Equity investments	-	1,585,344	-	-	-	544,382	157,613	(Note 8 and Note 20)
Delta Electronics (Netherlands) B.V.	Delta Greentech Electronics Industry LLC	Turkey	Marketing and sales of electronic products	479,612	479,612	7,670,494	100.00	407,593	227,628	242,540	(Note 8)
Delta Electronics (Netherlands) B.V.	DELTA GREENTECH (BRASIL) LTDA.	Brazil	Manufacturing and sales of electronic products	218,313	218,313	4,315,657	100.00	183,038	11,920	11,920	(Note 8)
Delta Electronics (Netherlands) B.V.	DELTA ELECTRONICS BRASIL LTDA.	Brazil	Manufacturing and sales of electronic products	622,805	622,805	87,000,000	100.00	802,732	127,837	127,837	(Note 8)
Delta Electronics (Netherlands) B.V.	Amerlux, LLC	U.S.A.	Design and production of dedicated lighting system and facilities	-	3,000,462	-	-	-	83,285	(25,902)	(Note 8 and Note 24)
Delta Electronics (Netherlands) B.V.	Delta Greentech SGP Pte. Ltd.	Singapore	Equity investments	-	857,611	-	-	-	25,232	(5,726)	(Note 8 and Note 25)
Delta Electronics (Netherlands) B.V.	Trihedral Engineering Limited	Canada	Graphic control software and related engineering services	-	1,095,387	-	-	-	119,568	13,185	(Note 8 and Note 20)
Delta Electronics Int'l (Singapore) Pte. Ltd.	Delta Electronics (Thailand) Public Company Limited	Thailand	Manufacturing and exporting power supplies, other electronic parts and components	36,737,053	36,737,053	5,344,793,060	42.85	46,237,661	16,411,727	6,351,179	(Note 7 and Note 13)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER INCORPORATED	Philippines	Sales of power supplies and others	23,130	23,130	11,400,000	100.00	9,787	(29,577)	(29,577)	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER CO., LTD.	Thailand	Sales of power supplies and others	-	-	40,000	100.00	74,766	10,128	10,127	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER (CAMBODIA) LTD	Cambodia	Sales of power supplies and others	-	-	1,000	100.00	(19,235)	-	-	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	ELTEK POWER (MALAYSIA) SDN. BHD.	Malaysia	Sales of power supplies and others	63,417	63,417	300,000	100.00	(70,118)	(16,881)	(16,881)	(Note 7)
Delta Electronics Int'l (Singapore) Pte. Ltd.	Loy Tec electronics GmbH	Austria	Provide solutions to building management and control	2,492,001	2,492,001	-	100.00	1,501,929	167,990	58,359	(Note 7)

Table 9-3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2023			Net profit (loss) of the investee for the year ended December 31, 2023	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Footnote
				Balance as at December 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership (%)	Book value			
Delta Networks Holding Limited	Delta Networks, Inc.	Cayman Islands	Equity investments	\$ 3,623,640	\$ 5,461,160	1	100.00	\$ 1,785	\$ 95,242	\$ 95,242	(Note 3)
Delta Networks, Inc.	Delta Networks (HK) Limited	Hong Kong	Equity investments	-	1,074,675	-	-	-	82,642	79,791	(Note 4 and Note 28)
Cyntec Co., Ltd.	Fairview Assets Ltd.	Cayman Islands	Equity investments	1,116,521	1,116,521	32,740,062	100.00	33,665,366	1,525,210	1,525,210	(Note 5)
Cyntec Co., Ltd.	Power Forest Technology Corporation	Taiwan	IC design of power management	347,387	347,387	15,432,000	65.45	86,671	(147,785)	(120,917)	(Note 5 and Note 26)
Delta Electronics (Thailand) Public Company Limited	DET International Holding B.V.	Netherlands	Equity investments	8,520,795	8,520,795	264,357,330	100.00	8,032,496	589,895	581,268	(Note 16)
Delta Electronics (Thailand) Public Company Limited	Delta Green Industrial (Thailand) Co., Ltd.	Thailand	Integration, sales, trading, installation and providing services of uninterruptible power supply, photovoltaic inverter, electric cars charger and data center	185,750	185,750	20,600,000	100.00	36,361	(6,855)	(6,855)	(Note 16)
Delta Electronics (Thailand) Public Company Limited	Delta Energy Systems (Singapore) PTE. LTD.	Singapore	Equity investments, trading, management and consultancy	8,390,697	5,025,967	278,899,220	100.00	10,535,963	362,635	377,187	(Note 16)
Delta Electronics (Thailand) Public Company Limited	Delta Electronics (Vietnam) Company Limited	Vietnam	Sales of electronic products	2,733	2,733	-	100.00	14,222	12,043	12,043	(Note 16)
Delta Electronics (Thailand) Public Company Limited	DELTA ELECTRONICS INDIA MANUFACTURING PRIVATE LIMITED	India	Manufacturing and marketing of electronic products	999,123	153,183	252,610,999	100.00	894,048	(53,598)	(53,598)	(Note 16)
Vivotek Inc.	Otus Imaging, Inc.	Taiwan	Sales of webcams and related components	-	44,294	-	-	-	(5,290)	(5,290)	(Note 11 and Note 21)
Vivotek Inc.	Realwin Investment Inc.	Taiwan	Venture capital company	173,696	173,696	17,369,635	100.00	209,111	32,744	34,170	(Note 11)
Vivotek Inc.	Vivotek Holdings, Inc.	U.S.A.	Holding company	31,555	31,555	1,050	100.00	358,559	26,354	26,354	(Note 11)
Vivotek Inc.	Vivotek Netherlands B.V.	Netherlands	Sales service	11,418	11,418	3,000	100.00	19,186	3,330	3,330	(Note 11)
Vivotek Inc.	Vivotek (Japan) Inc.	Japan	Sales service	17,939	17,939	6,600	100.00	21,529	635	635	(Note 11)
Vivotek Holdings, Inc.	Vivotek USA, Inc.	U.S.A.	Sales of webcams and related components	28,480	28,480	10,000,000	100.00	408,245	26,370	26,370	(Note 10)
Realwin Investment Inc.	Lidlight Inc.	Taiwan	Sales of lighting equipment	10,200	10,200	1,020,000	51.00	2,324	(2,982)	(1,521)	(Note 12)
Realwin Investment Inc.	Aetek Inc.	Taiwan	Sales of webcams and related components	34,045	34,045	3,372,500	56.21	87,217	50,190	28,211	(Note 12)
Realwin Investment Inc.	Wellstates Investment, LLC	U.S.A.	Investment and leasing of commercial real estate related business	34,859	34,859	-	100.00	65,596	5,245	5,245	(Note 12)
Realwin Investment Inc.	Skywatck INC.	Taiwan	Wholesale of electronic equipment	755	755	50,070	0.88	-	-	-	(Note 14)

Note 1: The Company's second-tier subsidiary or subsidiary's investee accounted for under equity method, which was recognised as investment gains/losses through Delta International Holding Limited B.V.

Note 2: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (H.K.) Ltd.

Note 3: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Networks Holding Limited.

Note 4: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Networks, Inc.

Note 5: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Cyttec Co., Ltd.

Note 6: The investment income /loss is net of the elimination of intercompany transactions.

Note 7: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics Int'l (Singapore) Pte. Ltd.

Note 8: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (Netherlands) B.V.

Note 9: The Company indirectly acquired 89.74% equity shares of Delta America Ltd. through Delta Electronics (Netherlands) B.V. considering the 10.26% equity shares held by the Company, the total ownership was 100%.

Note 10: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Vivotek Holdings, Inc.

Note 11: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Vivotek Inc.

Note 12: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Realwin Investment Inc.

Note 13: The Company indirectly acquired 14.68% and 42.85% equity shares of Delta Electronics (Thailand) Public Company Limited through Delta International Holding Limited B.V. and Delta Electronics Int'l (Singapore) Pte. Ltd., respectively. Considering the 5.54% equity shares held by the Company, the total ownership was 63.07%. Delta Electronics (Thailand) Public Company Limited split stocks in April 2023. The par value of each share was THB 1 before the stock split and is THB 0.1 after the stock split, and thus the number of shares increased tenfold.

Note 14: The Company's associate was recognised as investment gains/losses due to significant influence by the Company's second-tier subsidiary Realwin Investment Inc., which owns one board member in the Company.

Note 15: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Delta America Ltd.

Note 16: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Delta Electronics (Thailand) Public Company Limited.

Note 17: The Company's third-tier subsidiary, which was recognised as investment gains/losses through Digital Projection International Ltd.

Note 18: Established or invested during 2023.

Note 19: This company had been liquidated in January 2023.

Note 20: As the Group reorganised in March 2023, Delta Electronics (Netherlands) B.V. sold 89.74% and 100% of shares in its subsidiaries, Delta America Ltd. and Trihedral Engineering Limited, to Delta International Holding Limited B.V., respectively.

Note 21: The Group had disposed the investee in March 2023.

Note 22: The Company indirectly acquired 7.25% equity shares of Ancora Semiconductors Inc. through Delta Electronics Capital Company considering the 67.03% equity shares held by the Company, the total ownership was 74.28%.

Note 23: The Company's second-tier subsidiary, which was recognised as investment gains/losses through Atrust Computer Corporation.

Note 24: As the Group reorganised in May 2023, Delta Electronics (Netherlands) B.V. sold 100% of shares in its subsidiary, Amerlux, LLC to Delta International Holding Limited B.V..

Note 25: As the Group reorganised in June 2023, Delta Electronics (Netherlands) B.V. sold 100% of shares in its subsidiary, Delta Greentech SGP Pte. Ltd. to Boom Treasure Limited.

Note 26: The Company indirectly acquired 65.45% equity shares of Power Forest Technology Corporation through Cyttec Co., Ltd. Considering the 21.20% equity shares held by the Company, the total ownership was 86.65%.

Note 27: In July 2023, the Group adjusted the investment structure, and Delta Electronics (Netherlands) B.V. sold a 100% equity interest in its subsidiary, Boom Treasure Limited, to Drake Investment (HK) Limited.

Note 28: In December 2023, the Group adjusted the investment structure, and Delta Networks, Inc. sold a 100% equity interest in its subsidiary, Delta Networks (HK) Limited, to Delta Electronics (H.K.) Ltd..

Delta Electronics, Inc. and Subsidiaries  
Information on investments in Mainland China  
Year ended December 31, 2023

Table 10

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

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as at December 31, 2023	Net income (loss) of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Book value of investments in Mainland China as at December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as at December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Delta Electronics (Dongguan) Co., Ltd.	Manufacturing and sales of transformer and thermal products	\$ 4,295,937	Invested by DHK	\$ 5,120,837	\$ -	\$ -	\$ 5,120,837	\$ 751,706	100.00	\$ 829,277	\$ 6,344,250	\$ 296,611	(Note 3 and Note 13)
Delta Electronics (Shanghai) Co., Ltd.	Product design, management consulting service and distribution of electronic products	3,431,483	Invested by DHK	480,332	-	-	480,332	1,406,941	100.00	1,388,165	8,105,417	-	(Note 6 and Note 13)
Delta Electronics (Wuhu) Co., Ltd.	Manufacturing and sales of LED light source, power supplies and others	4,114,470	Invested by DHK	525,401	-	-	525,401	55,920	100.00	47,773	4,414,060	-	(Note 7 and Note 13)
Delta Electronics (Chenzhou) Co., Ltd.	Manufacturing and sales of transformers	1,934,415	Invested by DHK	131,260	-	-	131,260	156,156	100.00	(70,878)	2,164,744	-	(Note 8 and Note 13)
Delta Electronics (Jiangsu) Ltd.	Manufacturing and sales of power supplies and transformers	5,736,001	Invested by DHK	12,522,416	-	-	12,522,416	1,766,642	100.00	1,724,338	13,212,543	-	(Note 13)
Delta Green (Tianjin) Industries Co., Ltd.	Manufacturing and sales of transformers	139,094	Invested by DHK	1,015,880	-	-	1,015,880	(1,277)	100.00	181,499	89,371	-	(Note 9 and Note 13)
Delta Electronics (Pingtan) Co., Ltd.	Wholesale and retail of electronic products and energy-saving equipment	129,789	Invested by DHK	159,503	-	-	159,503	42,922	100.00	42,922	202,486	-	(Note 13)
Delta Electronics (Beijing) Co., Ltd.	Installation of mechanic, electronic, telecommunication and circuit equipment	-	Invested by DHK	14,043	-	-	14,043	558	-	558	-	-	(Note 10 and Note 13)
Delta Electronics (Xi'an) Co., Ltd.	Sales of computer, peripheral equipment and software	237,946	Invested by DHK	259,717	-	-	259,717	1,428	100.00	1,428	195,492	-	(Note 13)
Cyntec Electronics (Suzhou) Co., Ltd.	Manufacturing and sales of electronic components and molds; sales of forgings and powder metallurgy products	7,154,265	Invested by DHK	-	8,654,822	-	8,654,822	639,343	100.00	639,343	7,162,335	-	(Note 13 and Note 19)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as at December 31, 2023	Net income (loss) of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Book value of investments in Mainland China as at December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as at December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Delta Networks (Dongguan) Ltd.	Manufacturing and sales of other radio-broadcast receivers and the equipment in relation to broadband access networking system	\$ 1,397,078	Invested by DHK	\$ 1,372,708	\$ -	\$ -	\$ 1,372,708	(\$ 9,135)	100.00	(\$ 8,583)	\$ 1,847,466	\$ 675,510	(Note 5 and Note 13)
Delta Networks (Xiamen) Ltd.	Operation of radio transmission apparatus, and automatic data processing, reception, conversion and transmission or regeneration of voice, images or other data of the machine, including switches and routers, with a special program to control a computer or word processor with memory business	63,805	Invested by DNHK	21,494	-	-	21,494	18,862	30.00	5,659	49,897	-	(Note 14)
DelBio (Wujiang) Co., Ltd.	Manufacturing, wholesale and retail of medical equipment	122,820	Invested by DelBio	122,820	-	-	122,820	( 11,870)	100.00	( 11,870)	126,580	24,088	(Note 15)
Chenzhou Delta Technology Co., Ltd.	Manufacturing and sales of transformers	110,320	Invested by DCZ	-	-	-	-	60,238	100.00	60,439	377,078	-	(Note 11)
Delta Energy Technology Puhuan (Shanghai) Co., Ltd.	Sales of solar power products, photovoltaic equipment and components, energy saving management services	43,696	Invested by DPEC and DGC	-	-	-	-	( 324)	96.32	( 324)	31,304	-	(Note 11)
Guangzhou Amerlux Lighting Co., Ltd.	Wholesale of lighting fixture and decorative objects	14,585	Invested by Amerlux Lighting Hong Kong Limited	184,920	-	-	184,920	59,522	100.00	59,522	78,407	-	(Note 16)
Delta Greentech (China) Co., Ltd.	Sales of uninterruptible power systems	2,457,333	Invested by Drake-HK, Boom and DGSG	9,389,977	-	-	9,389,977	346,807	95.91	348,042	5,892,510	-	(Note 4 and Note 12)
Cyntec Electronics (WuHu) Co., Ltd.	Manufacturing and sales of electronic components, molds, forgings and powder metallurgy products	1,504,545	Invested by DHK	921,150	-	-	921,150	132,256	100.00	132,256	1,284,127	-	(Note 13 and Note 20)
Fujian Kaixin Construction Engineering Co., Ltd.	Constructions of buildings and structures, building decoration, municipal public works and landscape, etc.	108,157	Invested by DPT	-	-	-	-	1,093	40.00	437	12,719	-	(Note 11)

Table 10-2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2023	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as at December 31, 2023	Net income (loss) of investee for the year ended December 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2023	Book value of investments in Mainland China as at December 31, 2023	Accumulated amount of investment income remitted back to Taiwan as at December 31, 2023	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Delta Electronics (Chongqing) Ltd.	Manufacturing electronic parts of new energy vehicles and parts for power of electronic equipment	\$ 1,074,675	Invested by DHK	\$ -	\$ -	\$ -	\$ -	(\$ 23,251)	100.00	(\$ 23,672)	\$ 845,552	-	(Note 13)
Universal Instruments Mfg.(Shenzhen) Co. Ltd.	Precision automation solutions	125,329	Invested by UI European Holdco. Cooperatief U.A.	-	-	-	-	14,072	100.00	14,072	98,629	-	(Note 18)

Note 1: The capital was translated based on the capital certified report of the investee companies into New Taiwan Dollars at the average exchange rate of RMB 7.09730 to US\$1 and NTD 4.32629 to RMB\$1.

Note 2: The accumulated remittance as at January 1, 2023, remitted or collected this period, accumulated remittance as at December 31, 2023 and investment income remitted back as at December 31, 2023 was translated into New Taiwan Dollars at the average exchange rate of NTD 30.705 to US\$1 at the balance sheet date.

Note 3: Except for the facility of US\$166,775 thousand permitted by Investment Department, MOEA, the capitalisation of earnings of US\$27,081 thousand permitted by Investment Department, MOEA is excluded from the Company's amount of investment in Mainland China.

Note 4: Except for the facility of US\$305,813 thousand permitted by Investment Department, MOEA, the capitalisation of earnings of US\$980 thousand permitted by Investment Department, MOEA is excluded from the Company's amount of investment in Mainland China. Also, the investment structure was approved by Investment Department, MOEA to be adjusted on March 24, 2023 but has not yet been completed as of December 31, 2023.

Note 5: Except for the facility of US\$44,706 thousand permitted by Investment Department, MOEA, the capitalisation of earnings of US\$21,812 thousand permitted by Investment Department, MOEA is excluded from the Company's amount of investment in Mainland China.

Note 6: Except for the facility of US\$15,643 thousand permitted by Investment Department, MOEA, the capitalisation of earnings of US\$110,401 thousand permitted by Investment Department, MOEA is excluded from the Company's amount of investment in Mainland China.

Note 7: Except for the facility of US\$17,111 thousand permitted by Investment Department, MOEA, the capitalisation of earnings of US\$120,320 thousand permitted by Investment Department, MOEA is excluded from the Company's amount of investment in Mainland China.

Note 8: Except for the facility of US\$4,275 thousand permitted by Investment Department, MOEA, the capitalisation of earnings of US\$59,220 thousand permitted by Investment Department, MOEA is excluded from the Company's amount of investment in Mainland China.

Note 9: Except for the facility of US\$33,085 thousand permitted by Investment Department, MOEA, the capitalisation of earnings of US\$265 thousand permitted by Investment Department, MOEA is excluded from the Company's amount of investment in Mainland China.

Note 10: This company had been deregistered in December 2023.

Note 11: According to the regulations of the Investment Department, MOEA, the reinvestment of the investee companies in Mainland China is not required to obtain the approval of the Investment Department, MOEA; thus the investment amounts are excluded from the calculation of investment the Company's ceiling of amount in Mainland China.

Note 12: Jointly invested through Drake Investment (HK) Limited, DELTA GREENTECH SGP Pte. Ltd. and Boom Treasure Limited.

Note 13: Invest through Delta Electronics (H.K.) Ltd.

Note 14: Invest through Delta Networks (HK) Limited.

Note 15: Invest through DelBio Inc.

Note 16: Invest through Amerlux Lighting Hong Kong Limited.

Note 17: The Company's investment income (loss) was recognised based on audited financial statements by the Company's CPA.

Note 18: Invest through UI European Holdco. Cooperatief U.A.

Note 19: On December 27, 2022, the company was approved by Investment Department, MOEA to purchase 100% equity of Cynotec Electronics (Suzhou) Co., Ltd held by CYNTEC HOLDING (HK) LIMITED through Delta Electronics (H.K.) Ltd., a subsidiary of the company. The transfer was completed on February 28, 2023, and therefore included in the investment amount remitted by the Company in the current period.

Note 20: Except for the facility of US\$30,000 thousand permitted by Investment Department, MOEA, the capitalisation of earnings of US\$19,000 thousand permitted by Investment Department, MOEA is excluded from the Company's amount of investment in Mainland China.

Company name	Accumulated amount remitted from Taiwan to Mainland China as at December 31, 2023	Investment amount approved by the Investment Department of Ministry of Economic Affairs (MOEA)	Ceiling of investments in Mainland China imposed by the Investment Department of MOEA
Delta Electronics, Inc. (Notes 2 and 3)	\$ 39,700,010	\$ 39,700,010	
Cyntec Co., Ltd. (Note 5)	-	5,809,766	19,640,241
DelBio Inc. (Notes 4 and 6)	98,732	98,732	79,617

Note 1: The accumulated amount remitted out of Taiwan to Mainland China and investment amount approved by Investment Department, MOEA was translated into New Taiwan Dollars at the average exchange rate of NTD30.705 to US\$1 at the balance sheet date.

Note 2: The investment income of US\$22,000 thousand, US\$18,000 thousand, US\$10,509 thousand and US\$14,351 thousand were remitted back on March 11, 2011, June 27, 2012, August 14, 2012, June 24, 2009 and December 29, 2005, respectively, from the investee companies in Mainland China and was permitted by Investment Department, MOEA on August 3, 2012, August 28, 2012, July 17, 2009 and January 6, 2006, respectively, which are deductible from the Company's accumulated amount remitted out of Taiwan to Mainland China.

Note 3: According to "Regulation Governing the Approval of Investment or Technical Cooperation in Mainland China", the Company obtained the approval of operation headquarters from Industrial Development Administration of Ministry of Economic Affairs. There is no ceiling of investment amount.

Note 4: The ceiling is calculated based on DelBio Inc.'s 60% of net assets as at December 31, 2023. However, the application amount of US\$4,000 thousand is calculated based on the net assets as at July 4, 2013.

Note 5: Cyntec Co., Ltd. remitted back the investment income of US\$9,250 thousand on June 22, 2021 from the investee company in Mainland China, Cyntec Electronics (Suzhou) Co., Ltd., and was permitted by Investment Department, MOEA on August 4, 2021, which are deductible from Cyntec Co., Ltd.'s accumulated amount remitted out of Taiwan to Mainland China. Furthermore, on December 27, 2022, the Company was approved by Investment Department, MOEA to purchase 100% equity of Cyntec Electronics (Suzhou) Co., Ltd held by CYNTEC HOLDING (HK) LIMITED through Delta Electronics (H.K.) Ltd., a subsidiary of the Company. The transfer process was completed on February 28, 2023. On July 18, 2023, the Company obtained the confirmation letter from Investment Department, MOEA, however, as of December 31, 2023, the Company has not yet remitted back the transfer price to Taiwan, and the approved investment amount has not yet been revoked by Investment Department, MOEA.

Note 6: DelBio Inc. remitted back the investment income of US\$785 thousand on August 23, 2022 from the investee company in Mainland China, DelBio (Wujiang) Co., Ltd., and was permitted by Investment Department, MOEA on September 29, 2022, which are deductible from DelBio Inc.'s accumulated amount remitted out of Taiwan to Mainland China.

Delta Electronics, Inc. and Subsidiaries  
Major shareholders information  
December 31, 2023

Table 11

Name of major shareholders	Shares	No. of shares held	Ownership (%)
DEICO INTERNATIONAL LTD.		267,556,280	10.30%
DELTRON HOLDING LTD.		218,211,168	8.40%