

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Amounts in thousands of New Taiwan Dollars)

Assets	2024/3/31	2023/12/31	2023/3/31
Current assets			
Cash and cash equivalents	14,241,181	12,262,554	12,357,818
Contract assets-current	371,191	414,883	105,186
Notes receivable, net	0	0	3,032
Accounts receivable, net	5,516,592	5,498,025	4,859,384
Accounts receivable from related parties, net	2,055,564	1,972,960	1,649,335
Other receivables	581,381	154,025	292,023
Other receivables from related parties	62,853	100,977	3,208
Inventories, net	1,092,621	1,072,751	1,285,753
Prepayments	426,216	502,046	334,059
Other current assets	38,270	62,831	74,386
Other financial assets-current	4	4	4
Total current assets	24,385,873	22,041,056	20,964,188
Non-current assets			
Financial assets at fair value through other comprehensive income-non-current	6,851,712	6,541,681	5,623,032
Investments accounted for using the equity method	97,879	93,982	92,015
Property, plant and equipment	45,001,857	44,140,466	45,922,447
Right-of-use assets	619,003	620,991	649,320
Intangible assets	9,283	13,171	30,232
Deferred tax assets	190,911	302,946	254,382
Other financial assets-non-current	147,647	147,333	146,588
Other non-current assets	9,650	9,607	9,714
Total non-current assets	52,927,942	51,870,177	52,727,730
Total assets	77,313,815	73,911,233	73,691,918

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)

(Amounts in thousands of New Taiwan Dollars)

Liabilities and Equity	2024/3/31	2023/12/31	2023/3/31
Liabilities			
Current liabilities			
Short-term loans	196,851	220,133	897,975
Contract liabilities-current	12,745	9,365	92,216
Notes payable	17,088	858	5,807
Accounts payable	907,061	1,154,413	633,503
Accounts payable to related parties	3,856	7,154	2,481
Other payables	3,360,165	3,424,447	3,120,595
Other payables to related parties	64,380	69,979	105,321
Payables on equipment	1,133,283	752,648	1,264,469
Current tax liabilities	608,224	406,759	1,335,144
Lease liabilities-current	29,800	30,876	30,119
Current portion of long-term loans	604,500	574,528	801,795
Other current liabilities	1,363,464	1,096,832	1,182,007
Total current liabilities	8,301,417	7,747,992	9,471,432
Non-current liabilities			
Long-term loans	23,249,562	22,601,096	22,335,949
Deferred tax liabilities	2,499,023	2,345,260	1,742,067
Lease liabilities-non-current	435,153	441,190	464,460
Long-term deferred income	68,986	70,017	41,041
Net defined benefit liabilities	636,711	645,076	659,302
Guarantee deposits	6,851	34,052	31,509
Total non-current liabilities	26,896,286	26,136,691	25,274,328
Total liabilities	35,197,703	33,884,683	34,745,760
Equity			
Equity attributable to owners of the parent company			
Share capital			
Common stock	12,227,451	12,227,451	12,227,451
Capital surplus	5,037,169	4,955,581	4,918,974
Retained earnings			
Legal reserve	4,177,574	4,177,574	3,499,434
Special reserve	201,416	201,416	201,416
Undistributed earnings	15,501,921	14,133,456	14,403,782
Total retained earnings	19,880,911	18,512,446	18,104,632
Other equity	3,849,705	3,207,531	2,693,387
Equity attributable to owners of the parent company	40,995,236	38,903,009	37,944,444
Non-controlling interests	1,120,876	1,123,541	1,001,714
Total equity	42,116,112	40,026,550	38,946,158
Total liabilities and equity	77,313,815	73,911,233	73,691,918

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in thousands of New Taiwan Dollars, except for earnings per share)

	For the three months ended March 31,	
	2024	2023
Net sales	8,214,718	7,764,452
Operating costs	5,486,622	5,225,553
Gross profit	<u>2,728,096</u>	<u>2,538,899</u>
Operating expenses		
Selling expenses	101,795	92,379
Administrative expenses	522,534	519,507
Research and development expenses	344,215	290,560
Expected credit losses	173	579
Total operating expenses	<u>968,717</u>	<u>903,025</u>
Operating Income	<u>1,759,379</u>	<u>1,635,874</u>
Non-operating income and expenses		
Interest income	26,116	24,287
Other income	124,926	90,816
Other gains and losses	44,312	29,141
Finance costs	(157,005)	(202,973)
Share of profit of associates accounted for using the equity method	3,897	4,027
Total non-operating income and expenses	<u>42,246</u>	<u>(54,702)</u>
Net income before income tax	1,801,625	1,581,172
Income tax expense	394,213	358,439
Net income	<u>1,407,412</u>	<u>1,222,733</u>
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss:		
Unrealized gains from equity instrument investments measured at fair value through other comprehensive income	310,031	828,581
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(62,006)	(165,716)
Items that will be reclassified subsequently to profit or loss:		
Exchange differences resulting from translating the financial statements of foreign operations	536,750	52,470
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(98,537)	(9,156)
Total other comprehensive income, net of tax	<u>686,238</u>	<u>706,179</u>
Total comprehensive income	<u>2,093,650</u>	<u>1,928,912</u>
Net income attributable to:		
Owners of the parent company	1,368,465	1,189,861
Non-controlling interests	38,947	32,872
	<u>1,407,412</u>	<u>1,222,733</u>
Total comprehensive income attributable to:		
Owners of the parent company	2,010,639	1,889,351
Non-controlling interests	83,011	39,561
	<u>2,093,650</u>	<u>1,928,912</u>
Basic earnings per share	<u>1.12</u>	<u>0.97</u>
Diluted earnings per share	<u>1.11</u>	<u>0.96</u>

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in thousands of New Taiwan Dollars)

	Common stock	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gains or losses from equity instrument investments measured at fair value through other comprehensive income	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance as of January 1, 2023	12,227,451	4,953,859	3,499,434	201,416	13,213,921	(284,878)	2,278,775	36,089,978	855,439	36,945,417
Profit for the three months ended March 31, 2023					1,189,861			1,189,861	32,872	1,222,733
Other comprehensive income for the three months ended March 31, 2023						36,625	662,865	699,490	6,689	706,179
Total comprehensive income	0	0	0	0	1,189,861	36,625	662,865	1,889,351	39,561	1,928,912
Changes in ownership interests in subsidiaries		(34,885)						(34,885)	106,714	71,829
Balance as of March 31, 2023	12,227,451	4,918,974	3,499,434	201,416	14,403,782	(248,253)	2,941,640	37,944,444	1,001,714	38,946,158
Balance as of January 1, 2024	12,227,451	4,955,581	4,177,574	201,416	14,133,456	(456,084)	3,663,615	38,903,009	1,123,541	40,026,550
Profit for the three months ended March 31, 2024					1,368,465			1,368,465	38,947	1,407,412
Other comprehensive income for the three months ended March 31, 2024						394,149	248,025	642,174	44,064	686,238
Total comprehensive income	0	0	0	0	1,368,465	394,149	248,025	2,010,639	83,011	2,093,650
Changes in ownership interests in subsidiaries		81,588						81,588	(85,676)	(4,088)
Balance as of March 31, 2024	12,227,451	5,037,169	4,177,574	201,416	15,501,921	(61,935)	3,911,640	40,995,236	1,120,876	42,116,112

English Translation of Financial Statements Originally Issued in Chinese
KING YUAN ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands of New Taiwan Dollars)

	For the three months ended March 31,	
	2024	2023
Cash flows from operating activities		
Profit before tax from continuing operations	1,801,625	1,581,172
Adjustments for :		
Depreciation	2,310,989	2,268,997
Amortization	3,941	9,017
Expected credit losses	173	579
Interest expenses	157,005	202,973
Interest income	(26,116)	(24,287)
Dividend income	0	(52,500)
Share-based payment expenses	16,416	47,555
Investment gain accounted for using the equity method	(3,897)	(4,027)
Gain on disposal of property, plant and equipment	(4,599)	(1,003)
Unrealized foreign exchange losses (gains)	388,181	(146,190)
Changes in operating assets and liabilities		
Contract assets	43,692	48,567
Notes receivable	0	4,186
Accounts receivable	(18,753)	522,111
Accounts receivable from related parties	(82,604)	103,813
Other receivables	(423,650)	172,751
Other receivables from related parties	38,124	23,042
Inventories	(19,870)	82,873
Prepayments	76,123	87,248
Other current assets	24,561	(19,260)
Contract liabilities	3,380	(64,423)
Notes payable	16,230	(5,639)
Accounts payable	(247,352)	(374,546)
Accounts payable to related parties	(3,298)	(3,734)
Other payables	(60,131)	(609,974)
Other payables to related parties	(13,814)	2,903
Other current liabilities	266,632	30,158
Accrued pension liabilities	(8,365)	1,458
Other operating liabilities	(1,031)	(1,779)
Cash generated from operating activities	4,233,592	3,882,041
Interest received	22,410	21,369
Income taxes paid	(87,493)	(84,318)
Net cash provided by operating activities	4,168,509	3,819,092
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,236,426)	(1,965,290)
Proceeds from disposal of property, plant and equipment	13,019	5,235
(Increase) Decrease in refundable deposits	(23)	141
Increase in other financial assets	(314)	(126)
Net cash used in investing activities	(2,223,744)	(1,960,040)
Cash flows from financing activities		
Increase in short-term loans	0	31,521
Decrease in short-term loans	(32,079)	(161,606)
Borrowing in long-term loans	3,204,325	1,869,725
Repayments of long-term loans	(2,911,435)	(3,862,243)
Decrease in deposits received	(27,201)	(1,581)
Cash payments for the principal portion of the lease liabilities	(7,410)	(7,313)
Interest paid	(154,695)	(199,755)
Change in non-controlling interests	(20,609)	24,258
Net cash provided by (used in) financing activities	50,896	(2,306,994)
Effect of changes in exchange rate on cash and cash equivalents	(17,034)	(10,355)
Net increase (decrease) in cash and cash equivalents	1,978,627	(458,297)
Cash and cash equivalents at the beginning of the period	12,262,554	12,816,115
Cash and cash equivalents at the end of the period	14,241,181	12,357,818