MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

June 30, 2024 AND 2023

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' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Merry Electronics Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Merry Electronics Co., Ltd. and subsidiaries (the "Group") as on June 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and six months ended, as well as the related consolidated statements of changes in equity and of cash flows for the six months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of Auditing Standards No. 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Notes 4 (3) and 6 (7), the financial statements of certain insignificant consolidated subsidiaries and certain investments accounted for using the equity method were not reviewed by independent auditors. Those statements reflect total assets of NT$6,396,860 thousand and NT$4,796,865 thousand, constituting 17% and 16% of the consolidated total assets, and total liabilities

of NT$2,631,239 thousand and NT$1,554,179 thousand, constituting 12% and 9% of the consolidated total liabilities as at June 30, 2024 and 2023, respectively, and reflect total revenue of NT$529,160 thousand, NT$325,777 thousand, NT$850,079 thousand and NT$624,383 thousand, constituting 5%, 4%, 5% and 4% of the consolidated revenues for the three months and six months then ended, respectively, and total comprehensive income (loss) of NT$296,632 thousand, NT$42,087 thousand, NT$470,604 thousand and NT$(3,152) thousand, constituting 46%, 25%, 37% and (1)% of the consolidated total comprehensive income for the three months and six months then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and certain investments accounted for using the equity method been reviewed by independent auditors, that we might have become aware of had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as on June 30, 2024 and 2023, and of its consolidated financial performance for the three months and six months then ended, and its consolidated cash flows for the six months then ended in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission.

Liu, Mei-Lan
Hsu, Chien-Ye

For and on behalf of PricewaterhouseCoopers, Taiwan
July 25, 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' review 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.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2024, DECEMBER 31, 2023 AND JUNE 30, 2023
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of June 30, 2024 and 2023 were reviewed, not audited)

	Assets	Notes	June 30, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%	June 30, 2023 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6 (1)	$ 8,838,146	24	$ 5,526,722	17	$ 5,711,810	20
1110	Financial assets at fair value through profit or loss - current	6 (2)	175,926	1	556,580	2	404,360	1
1120	Current financial assets at fair value through other comprehensive income	6 (3)	104,560	-	105,206	-	258,602	1
1136	Current financial assets at amortized cost		163,580	1	513,218	2	521,262	2
1170	Accounts receivable, net	6 (4) (5)	8,987,422	24	9,224,475	28	6,692,799	23
1180	Accounts receivable due from related parties, net	7 (2)	389,806	1	155,813	-	38,810	-
1200	Other receivables	6 (2) (7)	459,973	1	169,190	1	31,590	-
1210	Other receivables – related parties	7 (2)	315,491	1	173,586	1	106,907	-
130X	Inventories	6 (6)	5,174,272	14	3,821,320	12	3,763,540	13
1470	Other current assets		487,089	1	470,436	1	264,955	1
11XX	**Current Assets**		25,096,265	68	20,716,546	64	17,794,635	61
	Non-current assets							
1510	Financial assets at fair value through profits or loss – non-current	6 (2)	45,457	-	45,828	-	26,484	-
1517	Non-current financial assets at fair value through other comprehensive income	6 (3)	245,433	1	369,523	1	545,396	2
1535	Financial assets at amortized cost – non-current		535,394	1	422,748	1	433,338	1
1550	Investments accounted for under equity method	6 (7)	5,726,699	16	5,602,510	17	4,740,775	16
1600	Property, plant and equipment	6 (8)	3,877,915	11	4,021,917	12	3,985,675	14
1755	Right-of-use assets	6 (9)	221,915	1	247,172	1	279,991	1
1780	Intangible assets	6 (10)	866,625	2	911,221	3	1,038,164	4
1840	Deferred income tax assets		155,284	-	188,976	1	219,849	1
1900	Other non-current assets		112,363	-	84,752	-	90,842	-
15XX	**Non-current assets**		11,787,085	32	11,894,647	36	11,360,514	39
1XXX	**Total assets**		$ 36,883,350	100	$ 32,611,193	100	$ 29,155,149	100

(Continued)

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2024, DECEMBER 31, 2023 AND JUNE 30, 2023
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of June 30, 2024 and 2023were reviewed, not audited)

	Liabilities and Equity	Notes	June 30, 2024 AMOUNT	%	December 31, 2023 AMOUNT	%	June 30, 2023 AMOUNT	%
	Current liabilities							
2100	Short-term borrowing	6 (11)	$ 1,824,701	5	$ 1,133,099	4	$ 476,661	2
2120	Financial liabilities at fair value through profit or loss – current	6 (2)	5	-	1,726	-	300	-
2130	Contract liabilities – current	6 (21)	331,503	1	301,635	1	313,545	1
2170	Accounts payable		6,712,004	18	5,516,301	17	4,657,289	16
2180	Accounts payable – related parties	7 (2)	4,124,867	11	3,023,117	9	2,297,766	8
2200	Other payables	6 (2)(12)	2,216,461	6	1,385,934	4	1,807,764	6
2220	Other payables – related parties	7 (2)	38,046	-	65,895	-	24,920	-
2230	Current income tax liabilities		332,377	1	466,311	1	234,596	1
2320	Current portion of long-term liabilities	6 (13)(14)	1,574,839	4	3,428,440	11	443,670	1
2399	Other current liabilities		631,245	2	529,581	2	412,902	1
21XX	**Current Liabilities**		17,786,048	48	15,852,039	49	10,669,413	36
	Non-current liabilities							
2527	Contract liabilities – non-current	6 (21)	534,853	2	590,487	2	627,852	2
2530	Bonds payable	6 (13)	-	-	-	-	2,967,947	10
2540	Long-term borrowings	6 (14)	846,229	2	1,003,177	3	727,231	3
2570	Deferred income tax liabilities	6 (26)	1,967,219	6	1,540,737	5	1,544,250	5
2640	Net defined benefit liability – non-current	6 (15)	30,361	-	36,054	-	29,535	-
2690	Other non-current liabilities		89,940	-	106,376	-	148,308	1
25XX	**Non-current liabilities**		3,468,602	10	3,276,831	10	6,045,123	21
2XXX	**Total liabilities**		21,254,650	58	19,128,870	59	16,714,536	57
	Equity attributable to owners of parent							
	Share capital	6 (17)						
3110	Common stock		2,363,498	6	2,193,163	7	2,177,422	8
	Capital surplus	6 (18)						
3200	Capital surplus		6,485,539	17	4,872,974	14	4,724,746	15
	Retained earnings	6 (19)						
3310	Legal reserve		2,549,941	7	2,412,390	8	2,412,390	8
3320	Special reserve		973,012	3	768,186	3	768,186	3
3350	Unappropriated retained earnings		3,014,861	8	3,583,885	11	2,626,939	9
	Other equity interest	6 (20)						
3400	Other equity interest		(757,262)	(2)	(1,209,351)	(4)	(1,081,033)	(3)
31XX	**Equity attributable to owners of the parent**		14,629,589	39	12,621,247	39	11,628,650	40
36XX	**Non-controlling interest**	4 (3)	999,111	3	861,076	2	811,963	3
3XXX	**Total equity**		15,628,700	42	13,482,323	41	12,440,613	43
	Significant contingent liabilities and unrecognized contract commitments	9						
	Significant events after the balance sheetdate	11						
3X2X	**Total liabilities and equity**		$ 36,883,350	100	$ 32,611,193	100	$ 29,155,149	100

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

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)
(Reviewed, Unaudited)

	Items	Notes	Three months ended June 30				Six months ended June 30			
			2024		2023		2024		2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6 (21) and 7 (2)	$ 10,294,178	100	$ 8,356,287	100	$ 18,647,650	100	$ 15,487,192	100
5000	Operating costs	6 (6) and 7 (2)	(8,941,312)	(87)	(7,320,962)	(88)	(16,245,087)	(87)	(13,595,104)	(88)
5900	Net operating margin		1,352,866	13	1,035,325	12	2,402,563	13	1,892,088	12
	Operating expenses	6 (24)(25)								
6100	Selling expenses		(115,014)	(1)	(102,058)	(1)	(221,703)	(1)	(213,938)	(1)
6200	General and administrative expenses		(293,669)	(3)	(270,123)	(3)	(578,988)	(3)	(522,706)	(3)
6300	Research and development expenses		(505,471)	(5)	(478,866)	(6)	(980,861)	(6)	(893,866)	(6)
6450	Expected credit impairment gain (loss)	12 (2)	(30,630)	-	2,646	-	(32,627)	-	7,929	-
6000	Total operating expenses		(944,784)	(9)	(848,401)	(10)	(1,814,179)	(10)	(1,638,439)	(10)
6900	Operating profit		408,082	4	186,924	2	588,384	3	253,649	2
	Non-operating income and expenses									
7100	Interest income		77,219	1	29,285	-	129,522	1	46,588	-
7010	Other income	6 (22)	67,451	-	124,543	2	139,229	1	190,868	1
7020	Other gains and losses	6 (23)	101,950	1	164,518	2	235,269	1	132,386	1
7050	Finance costs		(26,510)	-	(22,221)	-	(50,805)	-	(53,462)	-
7060	Share of profit of associates and joint ventures accounted for under the equity method	6 (7)	153,621	1	17,791	-	271,131	1	2,448	-
7000	Total non-operating income and expenses		373,731	3	313,916	4	724,346	4	313,932	2
7900	**Profit before income tax**		781,813	7	500,840	6	1,312,730	7	567,581	4
7950	Income tax expense	6 (26)	(207,686)	(2)	(119,681)	(1)	(327,249)	(2)	(133,619)	(1)
8200	**Profit for the period**		$ 574,127	5	$ 381,159	5	$ 985,481	5	$ 433,962	3

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)
(Reviewed, Unaudited)

	Items	Notes	Three months ended June 30				Six months ended June 30			
			2024		2023		2024		2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Other comprehensive income									
	Components of other comprehensive income that will not be reclassified to profit or loss									
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income, net	6 (3) (20)	($ 7,217)	-	($ 41,572)	(1)	$ 6,465	-	$ 22,837	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6 (7) (20)	(129)	-	-	-	(129)	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6 (26)	(541)	-	(838)	-	(1,760)	-	(1,040)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		(7,887)	-	(42,410)	(1)	4,576	-	21,797	-
	Components of other comprehensive income that will be reclassified to profit or loss									
8361	Financial statements translation differences of foreign operations	6 (20)	58,163	1	(48,540)	(1)	227,099	1	(58,655)	-
8367	Unrealized gains (losses) from investments in debt instruments measured at fair value through other comprehensive income, net	6 (3) (20)	-	-	1,330	-	-	-	514	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using the equity method – components of other comprehensive income that will be reclassified to profit or loss	6 (7) (20)	42,926	-	(165,588)	(2)	147,433	1	(140,067)	(1)
8399	Income tax relating to the components of other comprehensive income that will be reclassified to profit or loss	6 (26)	(24,834)	-	45,306	1	(75,509)	-	42,170	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		76,255	1	(167,492)	(2)	299,023	2	(156,038)	(1)
8300	**Total other comprehensive income (loss) for the period**		$ 68,368	1	($ 209,902)	(3)	$ 303,599	2	($ 134,241)	(1)
8500	**Total comprehensive(loss) for the period**		$ 642,495	6	$ 171,257	2	$ 1,289,080	7	$ 299,721	2
	Profit (loss), attributable to:									
8610	Owners of parent		$ 491,626	4	$ 362,554	5	$ 856,738	4	$ 418,560	3
8620	Non-controlling interest		82,501	1	18,605	-	128,743	1	15,402	-
	Total profit (loss) for the period		$ 574,127	5	$ 381,159	5	$ 985,481	5	$ 433,962	3
	Comprehensive income attributable to:									
8710	Owners of parent		$ 565,506	5	$ 139,854	2	$ 1,151,045	6	$ 271,607	2
8720	Non-controlling interest		76,989	1	31,403	-	138,035	1	28,114	-
	Total comprehensive income (loss)		$ 642,495	6	$ 171,257	2	$ 1,289,080	7	$ 299,721	2
	Basic earnings per share	6 (27)								
9750	Total basic earnings per share		$	2.24	$	1.69	$	3.94	$	1.96
	Diluted earnings per share	6 (27)								
9850	Total diluted earnings per share		$	2.02	$	1.52	$	3.51	$	1.77

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

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)
(Reviewed, Unaudited)

	Notes	Equity attributable to owners of the parent							Non-Controlling interest	Total equity
		Share capital - common stock	Capital surplus-additional paid-in capital	Legal reserve	Special reserve	Unappropriated Retained earnings	Other equity interest	Total		
Six months ended June 2023										
Balance at January 1,2023		$ 2,177,827	$ 4,720,866	$ 2,265,932	$ 748,930	$ 3,355,328	($ 996,446)	$ 12,272,437	$ 783,849	$ 13,056,286
Profit (loss) for the period		-	-	-	-	418,560	-	418,560	15,402	433,962
Other comprehensive income for the period		-	-	-	-	-	(146,953)	(146,953)	12,712	(134,241)
Total comprehensive income (loss) for the period		-	-	-	-	418,560	(146,953)	271,607	28,114	299,721
Appropriation and distribution of 2022 retained earnings	6 (19)									
Legal reserve		-	-	146,458	-	(146,458)	-	-	-	-
Special reserve		-	-	-	19,256	(19,256)	-	-	-	-
Cash dividends		-	-	-	-	(981,235)	-	(981,235)	-	(981,235)
Share-based payments	6 (16)	(405)	(3,379)	-	-	-	62,366	58,582	-	58,582
Recognition of change in equity of associates in proportion to the Group's ownership		-	7,259	-	-	-	-	7,259	-	7,259
Balance at June 30, 2023		$ 2,177,422	$ 4,724,746	$ 2,412,390	$ 768,186	$ 2,626,939	($ 1,081,033)	$ 11,628,650	$ 811,963	$ 12,440,613
Six months ended June 2024										
Balance at January 1,2024		$ 2,193,163	$ 4,872,974	$ 2,412,390	$ 768,186	$ 3,583,885	($ 1,209,351)	$ 12,621,247	$ 861,076	$ 13,482,323
Profit (loss) for the period		-	-	-	-	856,738	-	856,738	128,743	985,481
Other comprehensive income for the period		-	-	-	-	-	294,307	294,307	9,292	303,599
Total comprehensive income (loss) for the period		-	-	-	-	856,738	294,307	1,151,045	138,035	1,289,080
Appropriation and distribution of 2023 retained earnings	6 (19)									
Legal reserve		-	-	137,551	-	(137,551)	-	-	-	-
Special reserve		-	-	-	204,826	(204,826)	-	-	-	-
Cash dividends		-	-	-	-	(1,030,914)	-	(1,030,914)	-	(1,030,914)
Convertible bonds converted into common shares	6 (13)	172,430	1,633,776	-	-	-	-	1,806,206	-	1,806,206
Share-based payments	6 (16)	(2,095)	(19,668)	-	-	-	80,437	58,674	-	58,674
Equity instruments at fair value through other comprehensive income reclassified to investments accounted for using equity method	6 (7)	-	-	-	-	(52,471)	52,471	-	-	-
Recognition of change in equity of associates in proportion to the Group's ownership	6 (7)	-	329	-	-	-	2,816	3,145	-	3,145
Disposal of investments accounted for using equity method	6 (7)	-	(1,872)	-	-	-	22,058	20,186	-	20,186
Balance at June 30, 2024		$ 2,363,498	$ 6,485,539	$ 2,549,941	$ 973,012	$ 3,014,861	($ 757,262)	$ 14,629,589	$ 999,111	$ 15,628,700

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

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)
(Reviewed, Unaudited)

	Notes	Six months ended June 30 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 1,312,730	$ 567,581
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense-property, plants and equipment	6 (8)(24)	289,857	271,125
Depreciation expense - right-of-use assets	6 (9)(24)	60,876	55,711
Amortization	6 (10)(24)	49,545	75,324
Expected credit impairment loss	12 (2)	32,627	7,929
Finance costs		47,418	49,753
Interest expense-lease liability	6 (9)	3,388	3,709
Loss (gain) on financial assets or liabilities at fair value through profit or loss		(7,763)	(21,155)
Share of profit of associates and joint ventures accounted for using equity method	6 (7)	(271,131)	2,448
Compensation cost of employee restricted shares	6 (16)	58,674	58,582
Loss (gain) on disposal of property, plant and Equipment	6 (23)	11,555	(19,204)
Loss on disposal of investments	6 (23)	23,412	-
Interest income		(129,522)	(46,588)
Dividend income	6 (22)	-	(596)
Deferred income of government grants		(154)	(392)
Unrealized foreign exchange gains		(178,132)	(5,771)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets/liabilities mandatorily measured at fair value through profit or loss		(1,726)	(3,061)
Accounts receivable (including related parties)		472,295	2,256,419
Other receivables (including related parties)		3,547	69,799
Inventories		(1,324,188)	1,109,130
Other current assets		(6,940)	14,384
Changes in operating liabilities			
Accounts payable		984,739	(445,604)
Accounts payable – related parties		979,221	(2,012,369)
Other payables		(183,231)	(280,181)
Other payables – related parties		(27,899)	(57,478)
Contract liabilities		(26,284)	(79,052)
Other current liabilities		91,310	60,997
Net defined benefit liability – non-current		(5,693)	(8,083)
Cash inflow generated from operations		2,258,531	1,623,357
Interest received		123,783	45,880
Dividend received		-	596
Interest paid		(46,439)	(55,795)
Income taxes paid		(82,062)	(223,284)
Net cash inflows generated from operating activities		2,253,813	1,390,754

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MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)
(Reviewed, Unaudited)

	Notes	Six months ended June 30 2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease in financial assets mandatorily measured at fair value through profit or loss		$ 388,847	$ -
Increase in financial assets at amortized cost- current		-	(326,422)
Decrease in financial assets at amortized cost- current		372,373	-
Increase in financial assets at amortized cost – non-current		(100,855)	(333,931)
Acquisition of investments accounted for using equity method	6 (7)	-	(60,592)
Earnings distribution accounted for under equity method	6 (7)	-	213,003
Acquisition of property, plant and equipment	6 (28)	(157,494)	(207,927)
Proceeds from disposal of property, plant and equipment		9,715	25,246
Acquisition of intangible assets		(5,721)	(5,659)
Decrease in other non - current assets		13,189	5,771
Decrease in guarantee deposits paid		4,244	8,024
Net cash flows used in investing activities		524,298	(682,487)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease (increase) in short-term borrowings	6 (29)	682,645	(1,644,016)
Repayment of principal portion of lease liabilities	6 (29)	(54,388)	(58,785)
Decrease in long-term borrowings	6 (29)	(224,053)	(187,363)
Decrease (increase) in other non-current liabilities	6 (29)	11,841	(37)
Net cash flows used in financing activities		416,045	(1,890,201)
Effect of change in foreign currency exchange		117,268	(29,524)
Net increase (decrease) in cash and cash equivalents		3,311,424	(1,211,458)
Cash and cash equivalents at beginning of period		5,526,722	6,923,268
Cash and cash equivalents at end of period		$ 8,838,146	$ 5,711,810

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

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(REVIEWED, UNAUDITED)

1. HISTORY AND ORGANISATION

Merry Electronics Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.) on December 24, 1975. The Company and its subsidiaries (collectively referred here in as the "Group") are primarily engaged in manufacturing, processing, repairing, sales of electric appliance and audiovisual electric products, telecommunication equipment and apparatus electronic parts and components, computers and computing peripheral equipment, restrained telecom radio frequency equipment and medical appliances; planning, design, input as well as output of service items' equipment; production as well as marketing management consultant of service items' relevant business; and all business items that are not prohibited or restricted by law, except those that are subject to special approval. The Company's shares were listed on the Taipei Exchange since August 1998 and transferred to the Taiwan Stock Exchange starting September 2000 with approval from the competent authority. The Company merged with its subsidiaries, Huges Hi-Tech Inc. and Biotest Medical Corporation, on September 1, 2005 and October 29, 2021, respectively. The Company was the surviving company while Huges Hi-Tech Inc. and Biotest Medical Corporation were the dissolved companies.

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

These consolidated financial statements were reported to the Board of Directors on July 25, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Impact on the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 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 IAS7 and IFRS7 "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.

(2) Impact on new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) Impact on IFRS issued by IASB but not yet endorsed by the FSC

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
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
Amendments to IFRS 17 "Initial application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
Amendments to IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
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 except for the following:

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1, updates the framework of the statement of comprehensive income, adds the disclosure of the evaluation of the performance of management, and strengthen the principle of summary and detailed breakdown adopted in the main financial statements and notes. The related impact will be disclosed when the evaluation is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2023, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34, 'Interim financial reporting' as endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2023.

(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 and liabilities at fair value through other comprehensive income measured at fair value.

(c) Defined benefit liabilities recognized 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 International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement 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:

Basis for preparation for the current period financial statements and the 2023 consolidated financial statements is the same.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business Activities	Ownership (%) June 30, 2024	Ownership (%) December 31, 2023	Ownership (%) June 30, 2023	Description
MEHO	Merry Electronics (HK) Co., Ltd. (MEST)	Sales of the same products as the Company.	100.00%	100.00%	100.00%	
MEHO	Merry Electronics (Thailand) Co., Ltd. (METC)	The same main business as the Company.	99.99%	99.99%	99.99%	NOTE 1
MEHO	Merry Electronics (U.S.A.) Co., Ltd. ("MECA")	Agency selling microphone and security system manufactured by affiliates.	99.90%	99.90%	99.90%	NOTE 1
MEHO	Danny Dynamics Limited ("DDBV")	Equity investments.	100.00%	100.00%	100.00%	
MEHO	Merry Electronics (Singapore) Pte. Ltd. ("MESG")	Sales of the same products as the Company.	100.00%	100.00%	100.00%	
MEHO	Merry Healthcare Co., LTD. ("MHKY")	Equity investments.	100.00%	100.00%	100.00%	NOTE 1
MEHO	Asian Elite International Ltd. ("MSCS")	Manufacturing and sales of speaker and amplifier.	100.00%	100.00%	100.00%	NOTE 1
MEHO	Indigo Enterprise Inc. ("INSA")	Equity investments.	100.00%	100.00%	100.00%	

Name of investor	Name of subsidiary	Main business Activities	Ownership (%) June 30, 2024	December 31, 2023	June 30, 2023	Description
MEHO	MERRY & LUXSHARE (VIETNAM) CO., LTD. ("MEVN")	Manufacturing of sales of speaker, microphone and headphone products.	51.00%	51.00%	51.00%	NOTE 1
MEHO	MUtek Electronics Co., Ltd. (MUTT)	Manufacturing and application service of electrical appliances and audiovisual electronic products	51.00%	51.00%	51.00%	NOTE 1
MEHO	Merry Capital Inc.("MCTT")	Equity investments	100.00%	100.00%	100.00%	NOTE 1
MEST	Merry Electronics (Shenzhen) Co., Ltd. ("MECL")	The same main business as the Company.	100.00%	100.00%	100.00%	
DDBV	Universal Capital Investment ("UCMU")	Equity investments.	-	-	100.00%	NOTE 2、3
DDBV	Merrytech (HK) Co., Limited ("MTHK")	Equity investments.	100.00%	100.00%	100.00%	
INSA	Merry Electronics North America Inc. ("MENA")	Develop-to-order and appearance design of speaker and amplifier.	100.00%	100.00%	100.00%	
MENA	Seas Fabrikker ("SENM")	Manufacturing and sales of speaker monomer.	100.00%	100.00%	100.00%	NOTE 1
MHKY	Fulicare Co., Ltd. ("FUSA")	Equity investments.	96.01%	96.01%	96.01%	NOTE 1
FUSA	Fulicare Medical Instruments (Suzhou) Co. ,Ltd. ("FUSZ")	Sales of medical device.	100.00%	100.00%	100.00%	NOTE 1
FUSA	Fulicare Medical Instruments (Xiamen) Co., Ltd. **(**"FUXM"**)**	Manufacturing of medical device.	100.00%	100.00%	100.00%	NOTE 1
FUSA	Xiamen Etimbre Hearing Technology Co., Ltd. ("ETCX")	Research and development, manufacturing as well as sales of hearing aid, hearing device and acoustics equipment.	100.00%	100.00%	100.00%	NOTE 1
FUSZ and FUSA	Austar Hearing Science And Technology	Research and development, manufacturing as	99.50%	99.50%	99.50%	NOTE 1

Name of investor	Name of subsidiary	Main business Activities	Ownership (%) June 30, 2024	December 31, 2023	June 30, 2023	Description
	(Xiamen) Co., Ltd. ("ASCX")	well as sales of hearing aid, hearing device and acoustics equipment.				
ASCX	Xiamen Laiyate Medical Devices Co., Ltd. ("LACX")	Research and development as well as technical sales of software functions for hearing aid.	-	-	100.00%	NOTE 2、4
MESG	Merry Electronics Sdn Bhd. ("MEMP")	Research and development of microphone, receiver and speaker.	100.00%	100.00%	100.00%	NOTE 1

Note 1: The financial statements of the entity as of and for the six months ended June 30, 2024 and 2023 were not reviewed by the independent auditors as the entity is not a significant subsidiary.

Note 2: The financial statements of the entity as of and for the six months ended June 30, 2023 were not reviewed by the independent auditors as the entity is not a significant subsidiary.

Note 3: On September 20, 2023, the Group resolved to dispose the subsidiary - Universal Capital Investment Limited (UCMU), and the settlement was completed on September 30, 2023.

Note 4: On November 29, 2023, the Group liquidated the subsidiary, XIAMEN LAIYATE MEDICAL DEVICES CO., LTD.(“LACX”), and the registration for the liquidation was completed.

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 of June 30, 2024, December 31, 2023 and June 30, 2023, the Group’s non-controlling interests amounted to $999,111 thousand, $861,076 thousand and $811,963 thousand, respectively. The following is the information for non-controlling interests that are material to the Group and that belong to the Group’s subsidiaries:

		Non-controlling interests					
		June 30, 2024		December 31, 2023		June 30, 2023	
Name of subsidiary	Principal place of business	Amount	Shareholding ratio	Amount	Shareholding ratio	Amount	Shareholding ratio
MEVN	Vietnam	$ 937,861	49%	$ 808,567	49%	$ 752,335	49%

The summarized financial information of the subsidiary is as follows:

Balance sheet

	MEVN		
	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	$ 2,874,358	$ 1,755,805	$ 1,359,334
Non-current assets	966,655	984,139	1,086,084
Current liabilities	(1,815,403)	(961,104)	(743,720)
Non-current liabilities	(68,934)	(108,603)	(149,836)
Total net assets	$ 1,956,676	$ 1,670,237	$ 1,551,862

Statement of comprehensive income

	MEVN	
	Three months ended June 30	
	2024	2023
Revenue	$ 1,551,018	$ 646,897
Profit before income tax	202,445	42,914
Income tax	(32,797)	-
Profit for the period from continuing operations	169,648	42,914
Profit for the period	169,648	42,914
Total comprehensive income for the period	$ 169,648	$ 42,914
Comprehensive income attributable to non-controlling interests	$ 83,128	$ 18,469

	MEVN	
	Six months ended June 30	
	2024	2023
Revenue	$ 2,376,832	$ 1,065,814
Profit before income tax	301,214	43,664
Income tax	(32,797)	-
Profit for the period from continuing operations	268,417	43,664
Profit for the period	268,417	43,664
Total comprehensive income for the period	$ 268,417	$ 43,664
Comprehensive income attributable to non-controlling interests	$ 131,524	$ 21,395

Statement of cash flows

	MEVN	
	Six months ended June 30	
	2024	2023
Net cash inflows generated from operating activities	$ 28,818	$ 117,345
Net cash outflows used in investing activities	(21,583)	(9,747)
Net cash inflows generated from (outflows used in) financing activities	(50,606)	(50,149)
Effect of change in foreign currency exchange	6,681	3,367
Net increase (decrease) in cash and cash equivalents	(36,690)	60,816
Cash and cash equivalents at beginning of period	142,185	77,160
Cash and cash equivalents at end of period	$ 105,495	$ 137,976

(4) Employee benefits

Pensions

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognized based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

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

There was no significant change in the reporting period. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2023.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	June 30, 2024	December 31, 2023	June 30, 2023
Cash on hand and revolving funds	$ 1,218	$ 2,694	$ 11,554
Checking accounts and demand deposits	8,194,225	5,248,233	5,153,891
Time deposits	642,703	275,795	546,365
	$ 8,838,146	$ 5,526,722	$ 5,711,810

A. The Group transacts 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. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group's time deposits with maturity over 3 months had been classified as financial assets measured at amortized cost.

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

Items	June 30, 2024	December 31, 2023	June 30, 2023
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
-Funds	$ 123,207	$ 232,000	$ 100,000
-Forward exchange contract	9,587	13,166	14,470
-Stocks	20,480	20,480	-
-Bonds	-	280,000	280,000
Valuation adjustment	22,652	10,934	9,890
Total	$ 175,926	$ 556,580	$ 404,360
Non-current items:			
Funds	$ 47,652	$ 47,652	$ 29,350
Valuation adjustment	(2,195)	(1,824)	(2,866)
	$ 45,457	$ 45,828	$ 26,484

Items	June 30, 2024	December 31, 2023	June 30, 2023
Current items:			
Financial liabilities held for trading-forward exchange contract	$ 5	$ 1,726	$ 300

A. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Three months ended June 30	
	2024	2023
Net gains on financial assets (liabilities) at fair value through profit or loss	$ 4,718	$ 15,126

	Six months ended June 30	
	2024	2023
Net gains on financial assets (liabilities) at fair value through profit or loss	$ 15,331	$ 35,134

B. The Group entered into contracts relating to derivative financial assets which were not accounted for under hedge accounting. The information is listed as follows:

	June 30, 2024		
Derivative instruments	Contract amount (Notional principal)	Contract period	Contract price
Forward foreign exchange contract to sell	USD 4,000 thousand	2024/05/31~ 2024/07/31	NTD 32.425~32.533
Forward foreign exchange contract to buy	USD 8,000 thousand	2024/02/22~ 2025/04/23	NTD 30.253~31.115

	December 31, 2023		
Derivative instruments	Contract amount (Notional principal)	Contract period	Contract price
Forward foreign exchange contract to sell	USD 15,000 thousand	2023/12/27~2024/01/30	NTD 30.555~30.846
Forward foreign exchange contract to buy	USD 25,000 thousand	2023/01/30~2024/05/10	NTD 29.036~30.600

	June 30, 2023		
Derivative instruments	Contract amount (Notional principal)	Contract period	Contract price
Forward foreign exchange contract to sell	USD 6,000 thousand	2023/06/29~2023/08/04	NTD 31.070~31.071
Forward foreign exchange contract to buy	USD 26,000 thousand	2022/12/28~2024/05/10	NTD 29.036~30.963

The Group entered into forward foreign exchange contracts to hedge exchange rate risk of import and export proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. As of June 30, 2024, December 31, 2023 and June 30, 2023, the Group had outstanding payments for settled transactions amounting to $0 thousand, $140,019 thousand and $0 thousand (shown as other payables), respectively.

D. As of June 30, 2024, December 31, 2023 and June 30, 2023, the collectible payments for settled transactions amounted to $0 thousand, $140,459 thousand and $0 thousand (shown as other receivables), respectively.

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

F. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12 (2).

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

Items	June 30, 2024	December 31, 2023	June 30, 2023
Current items:			
Debt instruments			
Bonds	$ -	$ -	$ 144,625
Valuation adjustment			
-through profit or loss	-	-	11,075
-through other comprehensive income	-	-	(2,173)
Sub-total	-	-	153,527
Equity instruments			
Stocks	$ 106,080	$ 106,080	$ 106,080
Valuation adjustment			
-through other comprehensive income	(1,520)	(874)	(1,005)
Sub-total	104,560	105,206	105,075
Total	$ 104,560	$ 105,206	$ 258,602

Items	June 30, 2024	December 31, 2023	June 30, 2023
Non-current items:			
Equity instruments			
Listed stocks	$ -	$ -	$ 99,990
Unlisted stocks	729,395	916,650	916,782
Sub-total	729,395	916,650	1,016,772
Valuation adjustment -through other comprehensive income	(483,962)	(547,127)	(471,376)
Sub-total	245,433	369,523	545,396
Total	$ 245,433	$ 369,523	$ 545,396

A. The Group has elected to classify equity and debt investments that are considered to be strategic investments or steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $349,993 thousand, $474,729 thousand and $803,998 thousand as on June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

B. On November 7, 2023, as the Company increased its investments in DONPON PRECISION INC., resulting to changes in the shareholding ratio, and the Company obtained influence over changes in its business model. Accordingly, the Company reclassified the investment increase from financial assets at fair value through other comprehensive income to investments accounted for using equity method. Please refer to Note 6(7) for details.

C. On May 30, 2024, the Company's investment in SYNergy ScienTech Corp is accounted for from under the financial assets at fair value through other comprehensive income to under equity method due to the change of the way of running its business. Please refer to Note 6 (7).

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

	Three months ended June 30	
	2024	2023
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	($ 7,217)	($ 41,572)
Debt instruments at fair value through other comprehensive income		
Fair value change recognized through profit or loss	$ -	$ 3,450
Fair value change recognized in other comprehensive income	$ -	$ 1,330
Interest income recognized in profit or loss	$ -	$ 1,447

	Six months ended June 30	
	2024	2023
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	$ 6,465	$ 22,837
Debt instruments at fair value through other comprehensive income		
Fair value change recognized through profit or loss	$ -	$ 2,150
Fair value change recognized in other comprehensive income	$ -	$ 514
Interest income recognized in profit or loss	$ 841	$ 2,849

E. As on June 30, 2024, December 31, 2023 and June 30, 2023, 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 was $349,993 thousand, $474,729 thousand and $803,998 thousand, respectively.

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

G. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12 (2).

H. The counterparties of the Company's investments in debt instruments have good credit quality; those debt securities are all rated as investment grade.

(4) Accounts receivable

	June 30, 2024	December 31, 2023	June 30, 2023
Accounts receivable	$ 9,037,353	$ 9,241,314	$ 6,721,420
Less: Allowance for doubtful accounts	(49,931)	(16,839)	(28,621)
	$ 8,987,422	$ 9,224,475	$ 6,692,799

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

	June 30, 2024	December 31, 2023	June 30, 2023
Not past due	$ 8,810,861	$ 9,169,410	$ 6,649,961
Up to 30 days	180,200	58,076	27,764
31 to 90 days	6,937	2,535	21,900
91 to 180 days	10,125	52	5,138
Over 180 days	29,230	11,241	16,657
	$ 9,037,353	$ 9,241,314	$ 6,721,420

The above aging analysis was based on past due date.

B. As of June 30, 2024, December 31, 2023, June 30, 2023, and January 1, 2023, the balances of receivables from contracts with customers amounted to $8,987,422 thousand, $9,224,475 thousand, $6,692,799 thousand and $8,709,698 thousand, respectively.

C. The Group insured against its accounts receivable, which the insured amount has been reviewed and granted by the insurance company. If bad debts occur, the insurance company will settle the claim up to 90% of the insured amount. As of June 30, 2024, December 31, 2023 and June

30, 2023, the balance of insured accounts receivable amounted to $5,999,638 thousand, $7,614,787 thousand and $5,727,141 thousand, respectively.

D. The Group does not hold any collateral as security.

E. The Group entered into a factoring agreement which has no right of recourse with ING BANK N.V., TAIPEI BRANCH and Bank of America on July 19, 2021. As of June 30, 2024, December 31, 2023 and June 30, 2023, there were no accounts receivable that were outstanding and expected to be transferred (reclassified as financial assets at fair value through other comprehensive income). Please refer to Note 6 (5) for information on transfer of financial assets.

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

(5) Transfer of financial assets

A. Transferred financial assets that are derecognized in their entirety
None for June 30, 2024, December 31, 2023 and June 30, 2023.

B. Transferred financial assets that are not derecognized in their entirety

i. On July 19, 2021, the Group entered into a factoring agreement with ING BANK N.V., TAIPEI BRANCH to sell its accounts receivable. In accordance with the agreement, the Group transferred first 90% of accounts receivable and has obligated to provide partial guarantees for the default risk of the transferred accounts receivable. Therefore, the Group has not derecognized the accounts receivable sold in their entirety and may not pledge these accounts receivable to a third party.

ii. As of June 30, 2024, December 31, 2023 and June 30, 2023, the related information of the transferred accounts receivable sold that the Group continuously recognized to the extent of continuing involvement were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Total carrying amount of the original assets before transferring	$ -	$ -	$ 456,115
Carrying amount of the assets continuously recognized	-	-	45,612

(6) Inventories

	June 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 2,084,696	($ 137,434)	$ 1,947,262
Work in progress	973,088	(12,064)	961,024
Finished goods	2,358,102	(92,116)	2,265,986
	$ 5,415,886	($ 241,614)	$ 5,174,272

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,732,946	($ 128,773)	$ 1,604,173
Work in progress	470,522	(10,597)	459,925
Finished goods	1,861,814	(104,592)	1,757,222
	$ 4,065,282	($ 243,962)	$ 3,821,320

	June 30, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,456,888	($ 150,237)	$ 1,306,651
Work in progress	476,158	(12,350)	463,808
Finished goods	2,106,240	(113,159)	1,993,081
	$ 4,039,286	($ 275,746)	$ 3,763,540

The cost of inventories recognized as expense for the period:

	Three months ended June 30	
	2024	2023
Cost of goods sold	$ 8,918,329	$ 7,338,486
Loss on scrapping inventory	14,168	16,817
Gain on reversal of slow-moving inventories and decline in market value	8,815	(34,341)
Gain on physical inventory	-	-
	$ 8,941,312	$ 7,320,962

	Six months ended June 30	
	2024	2023
Cost of goods sold	$ 16,224,430	$ 13,625,612
Loss on scrapping inventory	23,005	17,634
Gain on reversal of slow-moving inventories and decline in market value	(2,348)	(48,137)
Gain on physical inventory	-	(5)
	$ 16,245,087	$ 13,595,104

The Group reversed a previous inventory write-down because of the sale of certain written-down inventories by the Group for the three months and six months ended June 30, 2024 and June 30, 2023.

(7) Investments accounted for using the equity method

	Six months ended June 30	
	2024	2023
At January 1	$ 5,602,510	$ 5,028,458
Increase in investments accounted for using equity method	-	60,592
Disposal of investments accounted for using equity method	(430,463)	-
Share of profit or loss of investments accounted for using the equity method	271,131	(2,448)
Earnings distribution	(24)	(213,003)
Changes in capital surplus additional paid-in capital	329	7,259
Changes in other equity items	147,304	(140,067)
Reclassification of credit balance of investments accounted for using equity method/ reversal of non-current liabilities	43	(16)
Transferred from financial assets at fair value through other comprehensive income	135,869	-
At June 30	$ 5,726,699	$ 4,740,775

A. The Company and the Group's subsidiary Merry Capital Inc. co-invested in CDIB-Mac Limited Partnership under the Board resolution on July 28, 2022.The capital increase is arranged on May 25, 2023 and September 7, 2023, and the accumulated investment amounted to $104,533 thousand and $2,450 thousand, respectively.

B. The Group's subsidiary Merry Electronics (Shenzhen) Co., Ltd. ("MECL") has resolved during the Board of directors meeting on January 31, 2023 to invest in Dong Guan Get Pink Electronics Co., Ltd. amounting to RMB $3,858 thousand (in equivalent to NT$16,925 thousand), in exchange for 33% shareholding. The business registration has been completed.

C. On October 26, 2023, the Board of Directors resolved to increase its investments in the private placement common shares of DONPON PRECISION INC. amounting to $286,020 thousand, and the Company accumulatively acquired 16.22% equity interests in the company, and further had significant influence over the company. The Company had reclassified the investment which was initially recognised in financial assets at fair value through other comprehensive income amounting to $160,244 thousand, including realised valuation gains in the amount of $60,254 thousand. Please refer to Note 6(3) for details.

D. Guangdong Luxshare & Merry Electronics Co., Ltd. (MEDG), the Company's investee, founded the liquidation committee on April 20, 2022. The liquidation period was between May 1, 2022 and February 29,2024, with the end of the liquidation period as the dissolution date. The Group wrote off the equity book value amounting to $430,463 thousand, the additional paid-in capital amounting to $1,872 thousand and other equity amounting to $22,058 thousand based on the liquidation result, and recognized the loss on disposal of investment amounting to $20,651 thousand. The consideration of disposal was amounting to RMB $98,173 thousand (equivalent to NT$429,998 thousand), which was recognized as other receivables. The liquidation is still in progress as of July 25, 2024.

E. On May 30, 2024, the Group's investment in SYNergy ScienTech Corp was originally accounted for under the financial assets at fair value through other comprehensive income amounting to $135,869 thousand, and it was subsequently reclassified into the investment under equity method due to the change of the Group's way of running its business which makes the Group reach a significant influence on SYNergy ScienTech Corp. The reclassification included the realized valuation loss amounting to $52,471 thousand. Please refer to Note 6 (3).

F. Details are as follows：

	June 30, 2024	December 31, 2023	June 30, 2023
Associates with significant influence			
Merry Electronics (Suzhou) Co., Ltd. (MECE)	$ 3,466,384	$ 3,279,717	$ 3,067,182
Associates with insignificant influence			
Merry Electronics (Huizhou) Co., Ltd. (MECH)	1,456,784	1,286,560	1,164,815
Guangdong Luxshare &			

	June 30, 2024	December 31, 2023	June 30, 2023
Merry Electronics Co., Ltd. (MEDG)	-	422,596	399,074
DONPON PRECISION INC	468,696	441,257	-
CDIB-Mac Limited Partnership. (MAC FUND)	120,231	116,837	59,791
Leohab Enterprise Co., Ltd. (LEOHAB)	61,822	39,554	34,442
Dong Guan Get Pink Electronics Co., Ltd.	16,262	15,989	15,471
SYNergy ScienTech Corp.	136,520	-	-
Merry Electronics (Shanghai)Co., Ltd. (MECS)	(1,138)	(1,095)	(1,093)
Subtotal	5,725,561	5,601,415	4,739,682
Add: Credit balance of investments accounted for using the equity method transferred to non-current liabilities	1,138	1,095	1,093
	$ 5,726,699	$ 5,602,510	$ 4,740,775

G. Share of profit (loss) of associates accounted for using the equity method：

	Three months ended June 30	
Investee	2024	2023
MECE	$ 59,728	($ 37,966)
MECH	64,176	56,701
MEDG	90	1,839
DONPON	9,880	-
MAC FUND	1,773	(1,180)
LEOHAB	17,035	(1,513)
Dong Guan Get Pink Electronics Co., Ltd.	232	(90)
SYNERGY	708	-
MECS	(1)	-
	$ 153,621	$ 17,791

Investee	Six months ended June 30 2024	2023
MECE	$ 89,141	($ 101,830)
MECH	133,416	102,443
MEDG	2,682	3,503
DONPON	17,018	-
MAC FUND	3,418	(2,459)
LEOHAB	24,910	(3,033)
Dong Guan Get Pink Electronics Co., Ltd.	(162)	(1,073)
SYNERGY	708	-
MECS	-	1
	$ 271,131	($ 2,448)

H. Associates

(a) The basic information of the associates that is material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio June 30, 2024	December 31, 2023	June 30, 2023	Nature of relationship	Method of measurement
MECE	Mainland of China	49.00%	49.00%	49.00%	Holding more than 20% of voting right	Equity method

(b) The summarized financial information of the associates that is material to the Group is as follows:

Balance sheet

	MERRY ELECTRONICS (SUZHOU) CO., LTD. June 30, 2024	December 31, 2023	June 30, 2023
Current assets	$ 6,678,494	$ 5,878,001	$ 5,961,464
Non-current assets	3,709,903	4,160,057	4,700,946
Current liabilities	(3,113,393)	(3,164,937)	(4,163,974)
Non-current liabilities	(69,744)	(61,207)	(64,282)
Total net assets	$ 7,205,260	$ 6,811,914	$ 6,434,154
Share in associate's net assets	$ 3,530,577	$ 3,337,838	$ 3,152,735
Realized (unrealized) gain or loss from upstream and side stream transactions	(64,193)	(58,121)	(85,553)
Carrying amount of the associate	$ 3,466,384	$ 3,279,717	$ 3,067,182

Statement of comprehensive income

	MERRY ELECTRONICS (SUZHOU) CO., LTD.	
	Three months ended June 30	
	2024	2023
Revenue	$ 1,989,095	$ 1,767,095
Profit (loss) for the period from continuing operations	$ 36,936	($ 103,214)
Total comprehensive income (loss)	$ 36,936	($ 103,214)

	MERRY ELECTRONICS (SUZHOU) CO., LTD.	
	Six months ended June 30	
	2024	2023
Revenue	$ 4,428,925	$ 3,667,023
Profit (loss) for the period from continuing operations	$ 194,311	($ 263,899)
Total comprehensive income (loss)	$ 194,311	($ 263,899)

(c) The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

	Three months ended June 30	
	2024	2023
Share of profit of associates and joint ventures accounted for using the equity method	$ 93,893	$ 55,757
Other comprehensive income (loss), net of tax	32,596	(48,734)
Total comprehensive income	$ 126,489	$ 7,023

	Six months ended June 30	
	2024	2023
Share of profit of associates and joint ventures accounted for using the equity method	$ 181,990	$ 99,382
Other comprehensive income (loss), net of tax	65,519	(41,021)
Total comprehensive income	$ 247,509	$ 58,361

The investment income or loss accounted for under equity method of the above equity investments, except for MECE and MECH, is recognized based on the financial statements for the current period that was not reviewed by auditors.

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(8) Property, plant and equipment

Six months ended June 30, 2024

Cost	Opening balance	Additions	Reductions	Transfers	Effect of foreign currency exchange difference	Ending balance
Land	$ 792,956	$ -	$ -	$ -	($ 554)	$ 792,402
Land improvements	604	-	-	-	(10)	594
Buildings and structures	2,027,767	426	(1,508)	(12,274)	22,063	2,036,474
Machinery	3,240,291	99,048	(54,140)	17,117	56,995	3,359,311
Transportation equipment	16,896	916		-	311	18,123
Office equipment	335,656	5,462	(2,631)	-	4,779	343,266
Others	358,070	6,943	(211)	(36,974)	6,744	334,572
Unfinished construction	3,246	33,573	(3,561)	(12,076)	20	21,202
Total	6,775,486	$ 146,368	($ 62,051)	$ 44,207	$ 90,348	6,905,944
Accumulated depreciation						
Land improvements	($ 590)	($ 2)	$ -	$ -	$ 10	($ 582)
Buildings and structures	(644,251)	(41,533)	1,250	12,274	(10,270)	(682,530)
Machinery	(1,684,403)	(208,285)	37,316	-	(31,785)	(1,887,157)
Transportation equipment	(13,501)	(700)	-	-	(239)	(14,440)
Office equipment	(224,257)	(16,991)	2,033	-	(3,977)	(243,192)
Others	(186,567)	(22,346)	182	12,344	(3,741)	(200,128)
Total	(2,753,569)	($ 289,857)	$ 40,781	$ 24,618	($ 50,002)	(3,028,029)
	$ 4,021,917					$ 3,877,915

	Six months ended June 30, 2023					
Cost	Opening balance	Additions	Reductions	Transfers	Effect of foreign currency exchange difference	Ending balance
Land	$ 792,675	$ -	$ -	$ -	($ 463)	$ 792,212
Land improvements	599	-	-	-	(8)	591
Buildings and structures	1,774,209	7,203	(1,556)	40,807	(19,227)	1,801,436
Machinery	3,166,963	54,063	(24,364)	8,634	(49,555)	3,155,741
Transportation equipment	22,133	-	(3,163)	-	(425)	18,545
Office equipment	302,683	9,305	(2,020)	14,458	(4,670)	319,756
Others	286,053	14,253	(4,192)	28,772	(4,404)	320,482
Unfinished construction	124,368	57,565	-	(87,506)	(316)	94,111
Total	6,469,683	$ 142,389	($ 35,295)	$ 5,165	($ 79,068)	6,502,874
Accumulated depreciation						
Land improvements	($ 581)	($ 2)	$ -	$ -	$ 8	($ 575)
Buildings and structures	(584,319)	(33,363)	1,556	1,977	12,263	(601,886)
Machinery	(1,377,578)	(196,907)	18,731	-	27,459	(1,528,295)
Transportation equipment	(16,450)	(931)	2,860	-	323	(14,198)
Office equipment	(202,973)	(17,686)	1,940	-	3,405	(215,314)
Others	(139,879)	(22,236)	4,166	(1,977)	2,995	(156,931)
Total	(2,321,780)	($ 271,125)	$ 29,253	$ -	$ 46,453	(2,517,199)
	$ 4,147,903					$ 3,985,675

A. The Group has no property, plant and equipment that apply to capitalization of borrowing costs.

B. The Group has property, plant and equipment pledged to others as collateral. Please refer to Note 8 for details.

(9) Leasing arrangements - lessee

A. The Group leases various assets including land, buildings, machinery and equipment as well as business vehicles. Rental contracts are typically made for periods of 1 to 45 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 short-term leased premises of the Group are the office and dormitory.

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

	June 30, 2024	December 31, 2023	June 30, 2023
	Carrying amount	Carrying amount	Carrying amount
Land	$ 78,820	$ 79,399	$ 84,202
Buildings and structures	140,963	165,043	193,414
Machinery and equipment	672	1,026	1,509
Transportation equipment	1,460	1,577	823
Office equipment	-	127	39
Other equipment	-	-	4
	$ 221,915	$ 247,172	$ 279,991

	Three months ended June 30	
	2024	2023
	Depreciation charge	Depreciation charge
Land	$ 1,030	$ 1,220
Buildings and structures	29,003	29,858
Machinery and equipment	178	348
Transportation equipment	239	223
Office equipment	88	37
Other equipment	-	15
	$ 30,538	$ 31,701

	Six months ended June 30	
	2024	2023
	Depreciation charge	Depreciation charge
Land	$ 2,047	$ 2,451
Buildings and structures	57,889	51,991
Machinery and equipment	353	708
Transportation equipment	458	456
Office equipment	129	75
Other equipment	-	30
	$ 60,876	$ 55,711

D. For the three months and six months ended June 30, 2024 and 2023, the additions to right-of-use assets were $22,466 thousand, $37,819 thousand, $30,761 thousand and $59,014 thousand, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Three months ended June 30	
Items affecting profit or loss	2024	2023
Interest expense on lease liabilities	$ 1,676	$ 1,936
Expense on short-term lease contract	2,656	7,894
Expense on leased asset with low value	61	65
	$ 4,393	$ 9,895

	Six months ended June 30	
Items affecting profit or loss	2024	2023
Interest expense on lease liabilities	$ 3,388	$ 3,709
Expense on short-term lease contract	3,491	25,059
Expense on leased asset with low value	134	135
	$ 7,013	$ 28,903

For the three and six months ended June 30, 2024 and 2023, the Group's total cash outflow for leases were $31,551 thousand, $46,362 thousand, $61,401 thousand and $87,688 thousand, respectively..

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(10) Intangible assets

	Six months ended June 30, 2024					
Cost	Opening balance	Additions	Reductions	Transfers	Effect of foreign currency exchange difference	Ending balance
Goodwill	$ 931,678	$ -	$ -	$ -	$ -	$ 931,678
Computer software	629,757	1,200	(32)	430	1,227	632,582
Customer relationship	326,550	-	-	-	-	326,550
Know-how	115,748	-	-	-	-	115,748
Trademarks	61,481	-	-	-	-	61,481
Others	49,203	2,891	-	-	56	52,150
Total	2,114,417	$ 4,091	($ 32)	$ 430	$ 1,283	2,120,189
Accumulated amortization						
Computer software	($ 553,211)	($ 26,091)	$ 32	$ -	($ 830)	($ 580,100)
Customer relationship	(238,025)	(17,705)	-	-	-	(255,730)
Know-how	(115,748)	-	-	-	-	(115,748)
Trademarks	(29,921)	(2,759)	-	-	-	(32,680)
Others	(39,015)	(2,990)	-	-	(25)	(42,030)
Total	($ 975,920)	($ 49,545)	$ 32	$ -	($ 855)	(1,026,288)
Accumulated Impairment loss						
Goodwill	($ 227,276)	$ -	$ -	$ -	$ -	($ 227,276)
	$ 911,221					$ 866,625

	Six months ended June 30, 2023			
Cost	Opening balance	Additions	Effect of foreign currency exchange difference	Ending balance
Goodwill	$ 931,678	$ -	$ -	$ 931,678
Computer software	622,674	9,242	(795)	631,121
Customer relationship	326,550	-	-	326,550
Know-how	115,748	-	-	115,748
Trademarks	61,481	-	-	61,481
Others	44,263	1,785	45	46,093
Total	2,102,394	$ 11,027	($ 750)	2,112,671
Accumulated amortization				
Computer software	($ 478,230)	($ 36,067)	$ 254	($ 514,043)
Customer relationship	(197,567)	(22,032)	-	(219,599)
Know-how	(104,174)	(11,574)	-	(115,748)
Trademarks	(24,403)	(2,759)	-	(27,162)
Others	(33,311)	(2,892)	14	(36,189)
Total	($ 837,685)	($ 75,324)	$ 268	(912,741)
Accumulated Impairment loss				
Goodwill	($ 161,766)	$ -	$ -	($ 161,766)
	$ 1,102,943			$ 1,038,164

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

	Three months ended June 30	
	2024	2023
Operating costs	$ 1,475	$ 2,819
Selling expenses	1,652	3,490
Administrative expenses	15,645	19,119
Research and development expenses	5,584	12,285
	$ 24,356	$ 37,713

	Six months ended June 30	
	2024	2023
Operating costs	$ 3,012	$ 5,513
Selling expenses	3,527	7,066
Administrative expenses	29,242	39,364
Research and development expenses	13,764	23,381
	$ 49,545	$ 75,324

B. Goodwill allocated to the Group's cash generated unit

	June 30, 2024		
Goodwill:	Cost	Accumulated Impairment Loss	Ending balance
Huges Hi-Tech Inc.	$ 139,735	$ -	$ 139,735
MSCS and Indigo	581,644	(227,276)	354,368
ASCX	210,299	-	210,299
	$ 931,678	($ 227,276)	$ 704,402

	December 31, 2023		
Goodwill:	Cost	Accumulated Impairment Loss	Ending balance
Huges Hi-Tech Inc.	$ 139,735	$ -	$ 139,735
MSCS and Indigo	581,644	(227,276)	354,368
ASCX	210,299	-	210,299
	$ 931,678	($ 227,276)	$ 704,402

	June 30, 2023		
Goodwill:	Cost	Accumulated Impairment Loss	Ending balance
Huges Hi-Tech Inc.	$ 139,735	$ -	$ 139,735
MSCS and Indigo	581,644	(161,766)	419,878
ASCX	210,299	-	210,299
	$ 931,678	($ 161,766)	$ 769,912

As of December 31, 2023, the recoverable amount of all cash-generating units calculated using the value-in-use did not exceed their carrying amount, so an impairment loss to goodwill was recognized amounting to $65,510 thousand. The goodwill balance after the recognition of impairment loss amounted as of June 30, 2024 is $704,402 thousand. The

cash flow projections are based on financial budgets approved by the management covering a five-year period, the key assumptions used for value-in-use calculations are as follows:

December 31, 2023	Huges Hi-Tech Inc.	MSCS and Indigo	ASCX
Discount rate	6.58%	14%	16.17%
Growth rate	10%	6.25%~10.07%	3%~21.38%

C. The Group has no intangible assets pledged to others as collateral.

(11) Short-term borrowings

Type of borrowings	June 30, 2024	Interest rate range	Collateral
Bank borrowings			
Credit loan	$ 1,780,251	1.71%~3.92%	None
Secured borrowings	44,450	3.70%	Patents (Note)
	$ 1,824,701		

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Credit loan	$ 1,089,829	1.66%~3.80%	None
Secured borrowings	43,270	3.70%	Patents (Note)
	$ 1,133,099		

Type of borrowings	June 30, 2023	Interest rate range	Collateral
Bank borrowings			
Credit loan	$ 433,841	2.40%~5.10%	None
Secured borrowings	42,820	3.70%	Patents (Note)
	$ 476,661		

A. Interest expense recognized in profit or loss amounted to $9,283 thousand, $4,737 thousand, $15,312 thousand and $13,290 thousand for the three months and six months ended June 30, 2024 and 2023, respectively.

B. The Group provided endorsements and guarantees for the credit loans as of June 30, 2024, December 31, 2023 and June 30, 2023.

Note: The patents has been fully amortized into profit and loss.

(12) Other payables

	June 30, 2024	December 31, 2023	June 30, 2023
Dividend payable	$ 1,030,914	$ -	$ 981,235
Payroll and bonus payable	345,712	498,293	297,588
Employee compensation payable	231,795	191,454	123,357
Payables on equipment	83,018	71,416	49,243
Directors' remuneration payable	61,162	36,982	51,496
Others	463,860	587,789	304,845
	$ 2,216,461	$ 1,385,934	$ 1,807,764

(13) Bonds payable

	June 30, 2024	December 31, 2023	June 30, 2023
Bonds payable	$ 1,191,100	$ 2,999,900	$ 3,000,000
Less: Discount on bonds payable	(1,316)	(17,639)	(32,053)
	1,189,784	2,982,261	2,967,947
Less: Expiring within one year or one operating cycle	(1,189,784)	(2,982,261)	-
	$ -	$ -	$ 2,967,947

A. The details of the third domestic unsecured convertible bonds issued by the Company on August 11, 2021 are as follows:

(a) The terms of the third domestic unsecured convertible bonds issued by the Company are as follows:

i. The Company issued $3,015,000 thousand, 0% third domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature three years from the issue date August 11, 2021 to August 11, 2024 and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on August 11, 2021.

ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company at any time during the period from the date after three months of the bonds issued to the maturity date by notifying the Taiwan Depository & Clearing Corporation through the dealer to the Company, except for (i) the stop transfer period as specified in the terms of the bonds or the laws/regulations; (ii) the book closure date of the issuance of bonus shares, and of cash dividends, the period between the date that is 15 business days before the book closure date of a capital increase to the ex-right date; (iii) the period between the record date of a capital reduction and the prior day before the commencement of stock trading after stocks are repurchased; (iv) the period from the commencement date of the cessation of conversion of the share certificate and the prior day before the commencement date of trading of the new share certificate. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

iii. The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. As of June 30, 2024, the conversion price was $104.9 (in dollars) per share.

iv. The Company may repurchase all the bonds outstanding in cash at the bonds' face value at any time after the following events occur: (i) the closing price of the Company common shares is above the then conversion price by 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue to 40 days before the maturity date, or (ii) the outstanding balance of the bonds is less than 10% of total initial issue amount, the Company has the right to redeem the convertible bonds in accordance with the Article 18 of the terms of issuance and conversion during the period from the date after three months of the bonds issue to 40 days before the maturity date.

v. Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Taipei Exchange), matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.

(b) As of June 30, 2024, the bonds totaling $1,808,900 thousand (face value) had been converted into 17,243,938 shares of common stock.

B. Regarding the issuance of convertible bonds, the equity conversion options amounting to $38,455 thousand were separated from the liability component and were recognized in 'capital surplus - share options' in accordance with IAS 32. The call options embedded in bonds payable were separated from their host contracts and were recognized in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts.

(14) Long-term borrowings

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	June 30, 2024
Long-term bank borrowings				
Credit loan	Borrowing period is from 2020/2/20 to 2025/2/20; interest is repayable monthly; principal is repayable starting from 2022 (Note 1, 2).	0.93%~1.29%	None	$ 82,222
Credit loan	Borrowing period is from 2020/2/20 to 2027/2/19; interest is repayable monthly; principal is repayable starting from 2022.	1.23%~5.60%	None	1,013,226
Credit loan	Borrowing period is from 2022/9/27 to 2026/9/27; payment in installments; principal is repayable starting from 2023.	2.00%~3.55%	None	53,829
Secured borrowings	Borrowing period is from 2023/9/27 to 2033/9/27; payment in installments; principal is repayable starting from 2023.	3.65%	Plant	82,007
				1,231,284
Less: Expiring within one year or one operating cycle				(385,055)
				$ 846,229

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2023
Long-term bank borrowings				
Credit loan	Borrowing period is from 2020/2/20 to 2025/2/20; interest is repayable monthly; principal is repayable starting from 2022 (Note 1, 2).	0.80%~1.16%	None	$ 143,889
Credit loan	Borrowing period is from 2020/2/20 to 2027/2/19; interest is repayable monthly, principal is repayable starting from 2022.	1.10%~5.60%	None	1,165,921
Credit loan	Borrowing period is from 2022/9/27 to 2026/6/27; interest is repayable monthly, principal is repayable starting from 2023.	2.00%~3.75%	None	56,121
Secured borrowings	Borrowing period is from 2023/9/27 to 2033/9/27; interest is repayable monthly, principal is repayable starting from 2023.	3.65%	Plant	83,425
				1,449,356
Less: Expiring within one year or one operating cycle				(446,179)
				$ 1,003,177

Type of borrowings	Borrowing period and repayment term	Interest rate range	Collateral	June 30, 2023
Long-term bank borrowings				
Credit loan	Borrowing period is from 2020/2/20 to 2025/2/20; interest is repayable monthly; principal is repayable starting from 2022 (Note 1, 2).	0.80%~1.16%	None	$ 205,556

Credit loan	Borrowing period is from 2020/2/20 to 2027/2/19; interest is repayable monthly; principal is repayable starting from 2022.	1.10%~5.25%	None	922,653
Credit loan	Borrowing period is from 2022/9/27 to 2025/9/27; payment in installments; principal is repayable starting from 2023.	2.00%~3.75%	None	42,692
				1,170,901
Less: Expiring within one year or one operating cycle				(443,670)
				$ 727,231

The interest expense recognized in profit or loss for the three months and six months ended June 30, 2024 and 2023 amounted to $7,553 thousand, $7,291 thousand, $15,906 thousand and $14,219 thousand, respectively.

Note 1: The Company entered into a long-term loan contract with Taipei Fubon Bank in November 2019. The loan to be drawn within the limit has been fully drawn as of June 30, 2024.

Aforementioned contract conditions:

During the credit period, the following financial ratios shall be maintained and the audited / reviewed financial statements by independent auditors shall be checked semi-annually:

(a) Current ratio shall not be lower than 100%;
(b) Debt ratio shall not be higher than 200%;
(c) Interest coverage ratio shall not be lower than 10;
(d) Tangible assets shall not be lower than $8 billion.

Note 2: The Company entered into a long-term loan contract with JIHSUN BANK in February 2020. The loan to be drawn within the limit has been fully drawn as of June 30, 2024.

Aforementioned contract conditions:

During the credit period, the following financial ratios shall be maintained and the audited / reviewed financial statements by independent auditors shall be checked semi-annually:

(a) Current ratio shall not be lower than 100%;
(b) Debt ratio shall not be higher than 250%;
(c) Tangible assets shall be maintained at least $8 billion.

(15) Pensions

A. (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, 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 Law. 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 contributes monthly an amount equal to 5.1% 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. The Company also contributes monthly an amount equal to 8% of managers' monthly salaries to the retirement fund. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) The above pension costs of the Group for the three months and six months ended June 30, 2024 and 2023 were $181 thousand, $176 thousand, $363 thousand and $352 thousand, respectively.

(c) The Company expects to pay contribution for pension plan amounting to $14,783 thousand in 2025.

B. (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes 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.

(b) The first-tier and second-tier subsidiaries, in Mainland China, Thailand subsidiary METC, US subsidiary MECA, Canadian subsidiary MENA, Vietnamese subsidiary MEVN, Hong Kong subsidiary MEST, Singaporean subsidiary MESG, Malaysian subsidiary MEMP have set up a defined contribution plan. Please refer to Note 6 (16) in the consolidated financial statements for the year ended December 31, 2023.

(c) The above pension costs of the Group for the three months and six months ended June 30, 2024 and 2023 were $48,994 thousand, $38,053 thousand, $90,919 thousand and $75,896 thousand, respectively.

(16) Share-based payment

A. For the six months ended June 30, 2024 and 2023, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grand date	Quantity granted	Contract period	Share price	Exercise price	Fair Value per unit	Vesting condition
The 1st restricted stocks to employees in 2020	2021/05/31	416 units	3 years	107.5	0	107.5	Note
The 2nd restricted stocks to employees in 2020	2021/07/30	1,504 units	3 years	111.0	0	111.0	Note
The 1st restricted stocks to employees in 2021	2022/07/29	1,800 units	3 years	80.7	0	80.7	Note
The 1st restricted stocks to employees in 2022	2023/07/28	1,645 units	3 years	91.9	0	91.9	Note

Note: Depending on the employee's tenure in the Company (1 to 3 years), the employees can vest stocks at the ratio of 30%, 30% and 40% in three years based on the number of stocks written on the notification. The conditions for vesting restricted stocks are as follows:

(a) For the employees who are currently working in the Company, whose services have reached 1 year and achieved the performance of the most recent year's consolidated financial statements and the target personal performance, the ceiling of vested share ratio is 30%.

(b) For the employees who are currently working in the Company, whose services have reached 2 years and achieved the performance of the most recent year's consolidated financial statements and the target personal performance, the ceiling of accumulated vested share ratio is 60%.

(c) For the employees who are currently working in the Company, whose services have reached 3 years and achieved the performance of the most recent year's consolidated financial statements and the target personal performance, the ceiling of accumulated vested share ratio is 100%.

(d) The Company will repurchase and retire the stocks that do not meet the conditions of vesting for the employees who resign during the vesting period or do not meet the condition of vesting by the issuance price.

The aforementioned restricted stocks issued by the Company cannot be transferred during the vesting period and the commissioned trust custodians execute the shareholders' rights

on behalf of the employees.

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

	Six months ended June 30, 2024		Six months ended June 30, 2023	
	No. of share (in thousands)	Weighted-average exercise price (in dollars)	No. of share (in thousands)	Weighted-average exercise price (in dollars)
At January 1	4,071	$ -	3,348	$ -
Restricted Stocks vested	(358)		-	
Restricted stocks retired	(209)	-	(41)	-
At June 30	3,504	-	3,307	-

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

	Three months ended June 30	
	2024	2023
Equity-settled	$ 20,518	$ 29,729

	Six months ended June 30	
	2024	2023
Equity-settled	$ 58,674	$ 58,582

(17) Share capital

As of June 30, 2024, the Company's authorized capital was $4,000,000 thousand, consisting of 400,000 thousand shares of ordinary stock (including 5,000 thousand shares reserved for employee stock options), and the paid-in capital was $2,203,783 thousand with a par value of $10 (in dollars) per share.

Movements in the number of the Company's ordinary shares outstanding are as follows (in thousands):

	2024	2023
At January 1	219,316	217,783
Employee restricted shares retired	(209)	(41)
Conversion of convertible bonds into common shares	17,243	-
At June 30	236,350	217,742

(a) The Company retired 182 thousand and 27 thousand employee restricted shares as resolved at the meeting of the Board of Directors on July 25, 2024 and April 25, 2024 with the capital reduction effective date set on July 25, 2024 and April 25, 2024. The registration except the capital reduction through retirement of employee restricted shares dated on July 25, 2024 was completed.

(b) The Company issued the third unsecured convertible bonds on August 11, 2021. As of June 30, 2024, the face value of the convertible bonds of $1,808,900 thousand had been converted into common shares amounting to 17,243 shares. Please refer to Note 6(13) for details. The record date of new shares issuance of 16,154 thousand shares and 1,089

thousand shares were dated on July 26, 2024 and April 26, 2024, respectively by the Board resolution on July 25, 2024 and April 25, 2024, respectively. The registration process was complete except the above conversion resolved on July 25, 2024.

(c) The Company retired 8 thousand and 33 thousand employee restricted shares as resolved at the meeting of the Board of Directors on July 27, 2023 and April 27, 2023 with the capital reduction effective date set on July 27, 2023 and May 3, 2023. The capital reduction through retirement of employee restricted shares was completed.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, 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 Act requires that the amount of capital surplus to be capitalized 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.

	2024				
	Share premium	Share option	Employee restricted stocks	Others	Total
At January 1	$ 4,147,542	$ 96,854	$ 338,495	$290,083	$4,872,974
Convertible bonds converted into common shares	1,692,175	(58,399)	-	-	1,633,776
Restricted stocks vested	33,261	-	(33,261)	-	-
Restricted stocks retired	-	-	(19,668)	-	(19,668)
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	-	329	329
Disposal of investments accounted for using equity method	-	-	-	(1,872)	(1,872)
At June 30	$ 5,872,978	$ 38,455	$ 285,566	$ 288,540	$6,485,539

	2023				
	Share premium	Share option	Employee restricted stocks	Others	Total
At January 1	$ 4,070,017	$ 96,857	$ 290,864	$263,128	$4,720,866
Restricted stocks retired	-	-	(3,379)	-	(3,379)
Recognition of change in equity of associates in proportion to the Company's ownership	-	-	-	7,259	7,259
At June 30	$ 4,070,017	$ 96,857	$ 287,485	$ 270,387	$4,724,746

(19) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, after deduction of mandatory income tax, shall first be used to offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve equals the paid-in capital. After the provision or reversal of special reserve, the appropriation of the remaining earnings along with the unappropriated earnings of prior year shall be proposed by the Board of Directors and approved by the shareholders. The Board of Directors may, based on financial, business and operating perspectives, propose a distribution of earnings within an amount at least 30% of the new distributable earnings and not more than 80% of the accumulated distributable earnings for the current period. The dividends shall be preferably distributed in the form of cash, and can be appropriated in the shares. The ratio of cash dividends shall account for at least 30% of the total dividends distributed. All or partial of dividend and bonus that are distributed in the form of cash will be resolved and reported to the shareholders if more than 2/3 of the directors attend the Board of Directors' meeting and more than 1/2 of the directors present at the meeting have agreed.

B. The Company's dividend policy is summarized below: as the Company operates in a volatile business environment and is in the stable growth stage, the residual dividend policy is adopted taking into consideration the Company's financial structure, operating results and future expansion plans.

C. 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.

D. (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. In Accordance with Ruling No.1010051600 issued by Securities and Futures Bureau of the FSC on November 21, 2012, "unearned employee compensation" under employee restricted stock is not an unrealized item, and therefore is not required to set aside the special reserve. As of June 30, 2024, the special reserve set aside based on the above regulation amounted to $703,868 thousand.

(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. As of June 30, 2024, the balance of special reserve as aforementioned was $269,144 thousand.

(c) As of June 30, 2024, December 31, 2023 and June 30, 2023, the balance of special reserve was $973,012 thousand, $768,186 thousand and $768,186 thousand.

E. The Company distributed earnings for the years ended December 31, 2023 and December 31, 2022 as resolved at the shareholders' meeting on May 29, 2024, June 14, 2023 is as follows:

	2023		2022	
	Amounts	Cash dividends per share (NT$) $	Amounts	Cash dividends per share (NT$) $
Legal reserve	$ 137,551		$ 146,458	
Special reserve	204,826		19,256	
Cash dividends	1,030,914	$ 4.7	981,235	$ 4.5
	$ 1,373,291		$ 1,146,949	

The abovementioned distribution of earnings for the years ended December 31, 2023 and 2022 was in agreement with those amounts proposed by the Board of Directors on February 22 2024 and February 23 2023.

(20) Other equity items

2024	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) from investments in debt instruments measured at fair value through other comprehensive income	Unrealized gain (loss) from investments in equity instruments measured at fair value through other comprehensive income	Cost of unearned employee compensation	Total
At January 1	($ 413,159)	$ -	($ 559,853)	($ 236,339)	($ 1,209,351)
Amortization of employee restricted stocks	-	-	-	58,674	58,674
Restricted stocks retired	-	-	-	21,763	21,763
Revaluation – gross	-	-	6,465	-	6,465
Revaluation – tax	-	-	(1,760)	-	(1,760)
Revaluation transferred to retained earnings – gross	-	-	52,471	-	52,471
Revaluation – associates	-	-	(129)	-	(129)
Currency translation differences:					
-Group	217,807	-	-	-	217,807
-Tax on Group	(43,561)	-	-	-	(43,561)
-Associates	147,433	-	-	-	147,433
-Tax on associates	(31,948)	-	-	-	(31,948)
-Adjustment on disposal of associates transferred to profit or loss	24,874	-	-	-	24,874
At June 30	($ 98,554)	$ -	($ 502,806)	($ 155,902)	($ 757,262)

2023	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) from investments in debt instruments measured at fair value through other comprehensive income	Unrealized gain (loss) from investments in equity instruments measured at fair value through other comprehensive income	Cost of unearned employee compensation	Total
At January 1	($ 258,567)	($ 2,687)	($ 506,932)	($ 228,260)	($ 996,446)
Amortization of employee restricted stocks	-	-	-	58,582	58,582
Restricted stocks retired	-	-	-	3,784	3,784
Revaluation – gross	-	514	22,837	-	23,531
Revaluation – tax	-	-	(1,040)	-	(1,040)
Currency translation differences:					
-Group	(71,367)	-	-	-	(71,367)
-Tax on Group	14,274	-	-	-	14,274
-Associates	(140,067)	-	-	-	(140,067)
-Tax on associates	27,896	-	-	-	27,896
At June 30	($ 427,831)	($ 2,173)	($ 485,135)	($ 165,894)	($ 1,081,033)

(21) Operating revenue

	Three months ended June 30	
	2024	2023
Revenue from contracts with customers	$ 10,294,178	$ 8,356,287

	Six months ended June 30	
	2024	2023
Revenue from contracts with customers	$ 18,647,650	$ 15,487,192

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 product lines and geographical regions:

	Three months ended June 30, 2024					
	Electronic devices					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Total segment revenue	$ 7,816,765	$ 3,146,097	$ 1,802,764	$ 1,551,018	$ 1,588,919	$ 15,905,563
Revenue from internal segment transactions	(4,257)	(3,034,127)	-	(1,218,474)	(1,354,527)	(5,611,385)
Revenue from external customer contracts	7,812,508	111,970	1,802,764	332,544	234,392	10,294,178
Main Region						
Europe	3,524,532	36,003	889,158	-	57,415	4,507,108
US	3,938,321	-	912,906	-	75,918	4,927,145
Mainland China	33,882	75,967	-	-	97,400	207,249
Taiwan	174,084	-	-	-	-	174,084
Others	141,689	-	700	332,544	3,659	478,592
	$ 7,812,508	$ 111,970	$ 1,802,764	$ 332,544	$ 234,392	$10,294,178

	Six months ended June 30, 2024					
	Electronic devices					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Total segment revenue	$13,822,494	$ 5,464,841	$ 3,738,009	$ 2,376,832	$ 3,126,971	$ 28,529,147
Revenue from internal segment transactions	(10,922)	(5,266,331)	-	(1,910,521)	(2,693,723)	(9,881,497)
Revenue from external customer contracts	13,811,572	198,510	3,738,009	466,311	433,248	18,647,650
Main Region						
Europe	6,620,092	64,426	2,190,032	-	96,820	8,971,370
US	6,740,896	-	1,544,742	-	118,500	8,404,138
Mainland China	66,634	134,084	-	-	205,651	406,369
Taiwan	208,522	-	-	-	571	209,093
Others	175,428	-	3,235	466,311	11,706	656,680
	$13,811,572	$ 198,510	$ 3,738,009	$ 466,311	$ 433,248	$ 18,647,650

	Three months ended June 30, 2023					
	Electronic devices					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Total segment revenue	$ 5,968,226	$ 2,159,342	$ 2,030,788	$ 646,897	$1,434,370	$ 12,239,623
Revenue from internal segment transactions	(6,224)	(2,086,207)	-	(609,268)	(1,181,637)	(3,883,336)
Revenue from external customer contracts	5,962,002	73,135	2,030,788	37,629	252,733	8,356,287
Main Region						
Europe	2,616,487	20,026	1,481,614	-	52,177	4,170,304
US	3,053,303	-	548,006	-	95,958	3,697,267
Mainland China	37,658	53,109	-	-	96,450	187,217
Taiwan	177,545	-	-	-	-	177,545
Others	77,009	-	1,168	37,629	8,148	123,954
	$ 5,962,002	$ 73,135	$ 2,030,788	$ 37,629	$ 252,733	$ 8,356,287

	Six months ended June 30, 2023					
	Electronic devices					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Total segment revenue	$11,143,779	$ 3,988,094	$ 3,608,671	$1,065,814	$2,719,159	$22,525,517
Revenue from internal segment transactions	(12,355)	(3,855,209)	-	(992,917)	(2,177,844)	(7,038,325)
Revenue from external customer contracts	11,131,424	132,885	3,608,671	72,897	541,315	15,487,192
Main Region						
Europe	4,773,716	40,432	2,529,487	-	109,589	7,453,224
US	5,881,842	-	1,078,011	-	187,834	7,147,687
Mainland China	62,560	92,453	-	-	226,005	381,018
Taiwan	267,390	-	-	-	-	267,390
Others	145,916	-	1,173	72,897	17,887	237,873
	$11,131,424	$ 132,885	$ 3,608,671	$ 72,897	$ 541,315	$ 15,487,192

B. Contract assets and liabilities：

(a) The Group has recognized the following revenue-related liabilities (shown in other current liabilities):

	June 30, 2024	December 31, 2023	June 30, 2023	January 1, 2023
Contract liabilities	$ 866,356	$ 892,122	$ 941,397	$ 1,020,897

(b) Revenue recognized that was included in the contract liability balance at the beginning of the period：

	Three months ended June 30	
	2024	2023
Revenue recognized that was included in the contract liability balance at the beginning of the period	$ 58,862	$ 92,966

	Six months ended June 30	
	2024	2023
Revenue recognized that was included in the contract liability balance at the beginning of the period	$ 123,782	$ 209,333

(22) Other income

	Three months ended June 30	
	2024	2023
Government grants(note)	$ 11,924	$ 17,509
Sample income	38,657	40,715
Dividend income	-	596
Rent income	7,658	6,989
Other income	9,212	58,734
	$ 67,451	$ 124,543

	Six months ended June 30	
	2024	2023
Government grants(note)	$ 51,968	$ 46,421
Sample income	54,378	68,124
Dividend income	-	596
Rent income	15,151	12,850
Other income	17,732	62,877
	$ 139,229	$ 190,868

Note: Please refer to Note 6 (30) for the information on the Group's government subsidy.

(23) Other gains and losses

	Three months ended June 30	
	2024	2023
Foreign exchange gain	$ 128,818	$ 129,511
Gain on financial assets / liabilities at fair value through profit or loss	4,718	15,126
Gains (Loss) on disposals of property, plant and equipment	(5,823)	20,027
Loss on disposals of investments	(23,412)	-
Other losses	(2,351)	(146)
	$ 101,950	$ 164,518

	Six months ended June 30	
	2024	2023
Foreign exchange gain	$ 259,017	$ 80,710
Gains on financial assets / liabilities at fair value through profit or loss	15,331	35,134
Gains (Loss) on disposals of property, plant and equipment	(11,555)	19,204
Loss on disposals of investments	(23,412)	-
Other losses	(4,112)	(2,662)
	$ 235,269	$ 132,386

(24) Expenses by nature

	Three months ended June 30	
	2024	2023
Employee benefit expense	$ 967,581	$ 788,181
Depreciation charge - property, plant and equipment	145,449	138,273
Depreciation charge - right-of-use assets	30,538	31,701
Amortization charge	24,356	37,713
	$ 1,167,924	$ 995,868

	Six months ended June 30	
	2024	2023
Employee benefit expense	$ 1,850,485	$ 1,523,500
Depreciation charge - property, plant and equipment	289,857	271,125
Depreciation charge - right-of-use assets	60,876	55,711
Amortization charge	49,545	75,324
	$ 2,250,763	$ 1,925,660

(25) Employee benefit expense

	Three months ended June 30	
	2024	2023
Wages and salaries	$ 813,372	$ 650,220
Share-based payments	20,518	29,729
Labor and health insurance fees	18,696	17,212
Pension costs	49,175	38,229
Directors' remuneration	14,169	10,060
Other personnel expenses	51,651	42,731
	$ 967,581	$ 788,181

	Six months ended June 30	
	2024	2023
Wages and salaries	$ 1,539,081	$ 1,256,626
Share-based payments	58,674	58,582
Labor and health insurance fees	36,623	36,983
Pension costs	91,282	76,248
Directors' remuneration	24,570	11,497
Other personnel expenses	100,255	83,564
	$ 1,850,485	$ 1,523,500

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 5~10% for employees' compensation and shall not be higher than 2% for directors' remuneration.

B. The details of employees' compensation and directors' and supervisors' remuneration of the Company are as follows:

	Three months ended June 30	
	2024	2023
Employees' compensation	$ 69,868	$ 29,640
Directors' and supervisors' remuneration	13,974	9,880
	$ 83,842	$ 39,520

	Six months ended June 30	
	2024	2023
Employees' compensation	$ 120,900	$ 33,591
Directors' and supervisors' remuneration	24,180	11,197
	$ 145,080	$ 44,788

The abovementioned amounts were recognized in wages and salaries based on profit status of the current year. Employees' compensation was estimated at 10% and 6% of the profit for the six months ended June 30, 2024 and 2023, respectively. Directors' remuneration was estimated at 2% and 2% of the profit for the six months ended June 30, 2024 and 2023, respectively.

Employees' compensation and directors' remuneration of 2023 as resolved at the Board of Directors' meeting were in agreement with those amounts recognized in the profit or loss of 2023.

Information about employees' compensation and directors' and supervisors' 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.

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Three months ended June 30	
	2024	2023
Current tax:		
Current tax on profits for the period	$ 137,808	$ 87,839
Surtax on undistributed earnings	-	15,881

Prior year income tax overestimation	13,010	(6,163)
Total current tax	150,818	97,557
Deferred tax:		
Origination and reversal of temporary differences	56,868	22,124
Income tax expense	$ 207,686	$ 119,681

	Six months ended June 30	
	2024	2023
Current tax:		
Current tax on profits for the period	$ 179,733	$ 130,190
Surtax on undistributed earnings	-	15,881
Prior year income tax overestimation	13,044	(6,121)
Total current tax	192,777	139,950
Deferred tax:		
Origination and reversal of temporary differences	134,472	(6,331)
Income tax expense	$ 327,249	$ 133,619

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

	Three months ended June 30	
	2024	2023
Exchange differences changes on translation of foreign financial statements - the Group	($ 12,735)	$ 12,268
Exchange differences changes on translation of foreign financial statements - associates	(12,099)	33,038
Changes in fair value of financial assets at fair value through other comprehensive income	(541)	(838)
	($ 25,375)	$ 44,468

	Six months ended June 30	
	2024	2023
Exchange differences changes on translation of foreign financial statements - the Group	($ 43,561)	$ 14,274
Exchange differences changes on translation of foreign financial statements - associates	(31,948)	27,896
Changes in fair value of financial assets at fair value through other comprehensive income	(1,760)	(1,040)
	($ 77,269)	$ 41,130

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

C. The recognition of the current income tax expense of the Group related to Pillar Two income tax issue is $32,797 thousand as of June 30, 2024.

D. The Group's tax risk exposure to Pillar 2 income tax from the Bill of Pillar Two is as follows:

The Group is under the scope of Pillar Two Model Rules announced by the Organization for Economic Co-operation and Development (OECD). The legislation of the Bill of Pillar Two was complete in Hong Kong and Thailand where some of the Group's subsidiaries are located in, and will come into force on January 1, 2025, causing no current income tax risk exposure as of June 30, 2024.

According to the Bill of Pillar Two, the Group is liable for the payment of the top-up tax for the difference between the GloBE effective tax rate and the 15% minimum tax rate among every tax jurisdiction.

The Group's subsidiaries, MEST, MTHK and METC, are located in Hong Kong and Thailand, respectively, where the average effective tax rate is below 15%, and therefore it is assessed that income tax risk exposure derived from Pillar Two exists and the Group is assessing the upcoming tax risk exposure when the Bill of Pillar Two come into force. For the tax jurisdiction in Hong Kong and Thailand, the average effective tax rate is 0%, and the income tax expense from MEST, MTHK and METC for the six months ended June 30, 2024, which is $0, $0 and $3 thousand. Based on the accounting income from MEST, MTHK and METC for the six months ended June 30, 2024, which is $152,785 thousand, $95,214 thousand and $124,347 thousand, respectively, with its proportion to the Group's consolidated accounting income amounted to 12%, 7% and 9%, respectively.

However, due to the impact from the specific adjustments in the Bill of Pillar Two, the above average effective tax rate compared with that calculated based on IAS 12, those adjustments will result in a different effective tax rate. A quantitative effect is still inestimable in a reasonable way related to the application of the Bill of Pillar Two. The Group has engaged tax experts in the assessment of matters related to the application of the Bill of Pillar Two.

E. The Company's income tax returns through 2020 have been assessed and approved by the Tax Authority.

F. The corporate income tax returns for Merry Healthcare Co., Ltd. Taiwan Branch (CAYMAN) through 2023 have been assessed and approved by the tax authority.

G. The corporate income tax returns for Fulicare Co., Ltd. Taiwan Branch (SAMOA) through 2023 have been assessed and approved by the tax authority.

H. MUtek Electronics Co., Ltd income tax returns through 2022 have been assessed and approved by the Tax Authority.

(27) Earnings per share

	Three months ended June 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 491,626	219,538	$ 2.24
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	491,626	219,538	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	506	
Convertible bonds	5,261	24,121	
Employee restricted shares	-	2,171	

Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 496,887	246,336	$ 2.02

	Three months ended June 30, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 362,554	214,032	$ 1.69
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	362,554	214,032	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	312	
Convertible bonds	5,682	27,125	
Employee restricted shares	-	1,404	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 368,236	242,873	$ 1.52

	Six months ended June 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 856,738	217,285	$ 3.94
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	856,738	214,167	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,363	
Convertible bonds	10,983	26,335	
Employee restricted shares	-	2,171	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 867,721	247,154	$ 3.51

	Six months ended June 30, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in housands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 418,560	214,032	$ 1.96
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	418,560	214,032	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	915	
Employee restricted shares	11,287	27,125	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	-	1,404	
	$ 429,847	243,476	$ 1.77

(28) Supplemental cash flow information

A. Investing activities with partial cash payments

	Six months ended June 30	
	2024	2023
Acquisition of property, plant and equipment	$ 151,409	$ 147,554
Add: Beginning balance of payable on equipment	71,416	105,829
Ending balance of prepayments for equipment	20,258	18,762
Less: Beginning balance of prepayments for equipment	(2,571)	(14,975)
Ending balance of payable on equipment	(83,018)	(49,243)
Cash paid during the period	$ 157,494	$ 207,927

B. Financing activities with no cash flow effects::

	Six months ended June 30	
	2024	2023
Dividend payable	$ 1,030,914	$ 981,235

	Six months ended June 30	
	2024	2023
Convertible bonds being converted to common stocks	$ 1,808,800	$ -

(29) Changes in liabilities from financing activities

	Short-term Borrowings	Lease Liabilities	Convertible bonds	Long-term Borrowings (including those matured within one year	Dividends payables	Other non-current liabilities	Liabilities from financing activities-gross
At January 1, 2024	$ 1,133,099	$ 173,020	$2,982,261	$ 1,449,356	$ -	$ 11,963	$ 5,749,699
Changes in cash flow from financing	682,645	(54,388)	-	(224,053)	-	11,841	416,045
Additions	-	30,761	-	-	1,030,914	-	1,061,675
Impact of changes in foreign exchange rate	8,957	(3,593)	-	5,981	-	335	11,680
Amortization of discounts on corporate bonds	-	-	16,323	-	-	-	16,323
Changes in other non-cash items	-	3,387	(1,808,800)	-	-	(111)	(1,805,524)
At June 30, 2024	$ 1,824,701	$ 149,187	$ 1,189,784	$1,231,284	$ 1,030,914	$ 24,028	$ 5,449,898

	Short-term Borrowings	Lease Liabilities	Convertible bonds	Long-term Borrowings (including those matured within one year	Dividends payables	Other non-current liabilities	Liabilities from financing activities-gross
At January 1, 2023	$ 2,146,851	$ 208,436	$2,953,838	$ 1,356,447	$ -	$ 26,413	$ 6,691,985
Changes in cash flow from financing	(1,644,016)	(58,785)	-	(187,363)	-	(37)	(1,890,201)
Additions	-	59,014	-	-	981,235	-	1,040,249
Impact of changes in foreign exchange rate	(26,174)	(6,699)	-	1,817	-	(179)	(31,235)
Amortization of discounts on corporate bonds	-	-	14,109	-	-	-	14,109
Changes in other non-cash items	-	(1,901)	-	-	-	(407)	(2,308)
At June 30, 2023	$ 476,661	$ 200,065	$ 2,967,947	$1,170,901	$ 981,235	$ 25,790	$ 5,822,599

(30) Government grants

	Six months ended June 30	
	2024	2023
MECL	$ 42,695	$ 30,232
MEHO	-	8,135
ASCX	8,116	4,991
FUCX	-	2,365
OTHER	1,157	698
	$ 51,968	$ 46,421

The above are mainly the subsidies granted from local government, such as Shenzhen Science and Technology Innovation Commission, Development and Shenzhen Municipality, Industry and Information Technology Bureau of Shenzhen Municipality. The rest subsidies are not disclosed due to their amounts less than 5% of the total government grants.

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

Name	Relationship
Merry Electronics (Suzhou) Co., Ltd. (MECE)	Affiliated company
Merry Electronics (Huizhou) Co., Ltd. (MECH)	Affiliated company
DONPON PRECISION INC.	Affiliated company
Donyun plastic Manufactory Co., Ltd.	Affiliated company
SYNergy ScienTech Corp.	Affiliated company(Note 1)
Merry Fuling Co., Ltd. Taiwan Branch (MHNCTW)	Other related party
Luxshare Precision Limited	Other related party (Note 2)
Luxshare Precision Industry Co., Ltd	Other related party (Note 2)
Luxshare Electronic Technology (Kunshan) Co., Ltd.	Other related party (Note 2)
Dongguan Luxshare Precision Industry Co., Ltd.	Other related party (Note 2)
Luxshare Precision Industry (Chuzhou), Ltd.	Other related party (Note 2)
LUXSHARE PRECISION SINGAPORE PTE.LT	Other related party (Note 2)

Note 1 : The Company acquired a seat of directorship of SYNergy ScienTech Corp on May 30, 2024.

Note 2 : A corporate director of the Group's subsidiary, MEVN, and the entity both belong to Luxshare Group.

(2) Significant related party transactions

A. Operating revenue

	Three months ended June 30	
	2024	2023
Sales of goods		
LUXSHARE PRECISION SINGAPORE PTE.LT	$ 298,508	$ -
Luxshare Precision Limited	34,036	37,630
Other related party	9,640	31
Affiliated company	3,791	851
	$ 345,975	$ 38,512

	Six months ended June 30	
	2024	2023
Sales of goods		
LUXSHARE PRECISION SINGAPORE PTE.LT	$ 367,467	$ -
Luxshare Precision Limited	98,844	72,897
Other related party	15,649	232
Affiliated company	6,553	2,066
	$ 488,513	$ 75,195

The prices of goods sold to related parties are based on the different product's profitability and adjusted annually as there is no comparable transaction for the goods sold to the third parties, and the prices of purchases on behalf of related parties are based on the cost plus mark-ups of 2~ 3%. The credit terms to related parties are 60 to 120 days end of month and 30 to 120 days end of month to the third parties.

B. Purchases

	Three months ended June 30	
	2024	2023
Purchases of goods		
MECE	$ 1,894,233	$ 1,726,129
MECH	1,443,898	1,109,335
Affiliated company	307,337	-
Other related party	180,160	17,113
	$ 3,825,628	$ 2,852,577

	Six months ended June 30	
	2024	2023
Purchases of goods		
MECE	$ 4,177,447	$ 3,576,663
MECH	2,700,148	2,095,356
Affiliated company	556,807	-
Other related party	228,426	25,474
	$ 7,662,828	$ 5,697,493

Associates and other related parties are the Group's manufacturers of producing products, and the price is made individually based on the profitability of different products. The

price will be adjusted once a year. Because the Group do not purchase similar products from non-related parties, no similar transaction can be comparable. The credit terms to associates and other related parties is 60 days to 120 days after monthly billings; and the credit terms to non-related parties is 30 days to 120 days after monthly billings.

C. Receivables from related parties

	June 30, 2024	December 31, 2023	June 30, 2023
Accounts receivable:			
LUXSHARE PRECISION SINGAPORE PTE.LT	$ 335,453	$ 35,396	$ -
Other related party	52,353	119,250	38,810
Affiliated company	2,000	1,167	-
Total	$ 389,806	$ 155,813	$ 38,810
Other receivable:			
MECH	$ 314,890	$ 173,392	$ 106,727
Affiliated company	601	194	180
Total	$ 315,491	$ 173,586	$ 106,907

Other receivables mainly were the purchases of raw materials on behalf of MECH and MECE.

D. Payables to related parties

	June 30, 2024	December 31, 2023	June 30, 2023
Accounts payable:			
MECE	$ 2,023,201	$ 2,000,045	$ 1,325,383
MECH	1,450,270	551,324	952,594
Affiliated company	475,913	420,685	-
Other related party	175,483	51,063	19,789
Total	$ 4,124,867	$ 3,023,117	$ 2,297,766
Other payable:			
Affiliated company	$ 38,046	$ 65,895	$ 24,920

Other payables mainly were mold developing expense that MECE paid on behalf of the parent company.

E. Equipment Payables

	June 30, 2024	December 31, 2023	June 30, 2023
MECH	$ 601	$ -	$ 7,784
Other related party	-	-	344
Total	$ 601	$ -	$ 8,128

F. Property transactions

(a) Acquisition of property, plant and equipment:

	Three months ended June 30	
	2024	2023
MECH	$ 597	$ -
MECE	-	7,582
Other related party	387	339
	$ 984	$ 7,921

	Six months ended June 30	
	2024	2023
MECH	$ 903	$ -
MECE	-	7,582
Other related party	387	339
	$ 1,290	$ 7,921

(b) Disposal of property, plant and equipment:

Six months ended June 30, 2023：None.

	Three months ended June 30,2024		Six months ended June 30,2024	
	Disposal proceeds	Gain (loss) on disposal	Disposal Proceeds	Gain (loss) on disposal
MECH	$ -	$ -	$ 102	$ 9

(3) Key management compensation

	Three months ended June 30	
	2024	2023
Short-term employee benefits	$ 30,285	$ 20,793
Post-employment benefits	51	49
Share-based payments	7,309	6,844
	$ 37,645	$ 27,686

	Six months ended June 30	
	2024	2023
Short-term employee benefits	$ 56,175	$ 30,638
Post-employment benefits	101	98
Share-based payments	15,531	13,688
	$ 71,807	$ 44,424

8. PLEDGED ASSETS

	Book value			
	June 30, 2024	December 31, 2023	June 30, 2023	Purpose
Property, plant and equipment	$ 169,959	$ 141,272	$ 0	Long-term borrowings

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

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

	June 30, 2024	December 31, 2023	June 30, 2023
Property, plant and equipment	$ 68,538	$ 20,752	$ 46,459
Intangible assets	700	3,056	-
	$ 69,238	$ 23,808	$ 46,459

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The cash capital increase through the issuance of 5,000 thousand common shares with the par value NT$10, and the issuance of the fourth and fifth domestic unsecured convertible bonds, which was approved under the Board resolution on April 25, 2024, was filed to the Financial Supervisory Commission and went effective on June 19, 2024.

A. The terms of the fourth domestic unsecured convertible bonds issued by the Company are as follows:

(a) The Company issued the fourth domestic unsecured convertible bonds amounting to $2,500,000 thousand with coupon rate 0%, as approved by the regulatory authority. The bonds mature three years from the issue date July 10, 2024 to July 10, 2027 and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on July 10, 2024.

(b) The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. As of July 25, 2024, the conversion price was $143.1 (in dollars) per share.

B. The terms of the fifth domestic unsecured convertible bonds issued by the Company are as follows:

(a) The Company issued the fifth domestic unsecured convertible bonds amounting to $500,000 thousand with coupon rate 0%, as approved by the regulatory authority. The bonds mature three years from the issue date July 22, 2024 to July 22, 2027 and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on July 22, 2024.

(b) The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. As of July 25, 2024, the conversion price was $139.0 (in dollars) per share.

12. OTHERS

(1) Capital management

No significant change for the period. Please refer to Note 12 in the consolidated financial statements for the year ended December 31, 2023.

(2) Financial instruments

A. Financial instruments by category

	June 30, 2024	December 31, 2023	June 30, 2023
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatorily measured at fair value through profit or loss	$ 221,383	$ 602,408	$ 430,844
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ 349,993	$ 474,729	$ 650,471
Qualifying debt instrument	-	-	153,527
	$ 349,993	$ 474,729	$ 803,998
Financial assets at amortized cost/ Loans and receivables			
Cash and cash equivalents	$ 8,838,146	$ 5,526,722	$ 5,711,810
Financial assets at amortized at cost	698,974	935,966	954,600
Accounts receivable (including due from related parties)	9,377,228	9,380,288	6,731,609
Other receivables (including due from related parties)	775,464	342,776	138,497
Guarantee deposits paid	51,255	54,496	50,599
	$ 19,741,067	$ 16,240,248	$ 13,587,115

	June 30, 2024	December 31, 2023	June 30, 2023
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities held for trading	$ 5	$ 1,726	$ 300
Short-term borrowings	1,824,701	1,133,099	476,661
Accounts payable (including payable to related parties)	10,836,871	8,539,418	6,955,055
Other payable (including payable to related parties)	2,254,507	1,451,829	1,832,684
Lease liability	149,187	173,020	200,065
Corporate bonds payable (including maturing within one year or one operating	1,189,784	2,982,261	2,967,947

	June 30, 2024	December 31, 2023	June 30, 2023
cycle)			
Long-term borrowings (including maturing within one year or one operating cycle)	1,231,284	1,449,356	1,170,901
Guarantee deposits received	16,615	7,643	4,710
	$ 17,502,954	$ 15,738,352	$ 13,608,323

B. Financial risk management policies

(a) 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.

(b) Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. Such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(c) Information about derivative financial instruments that are used to hedge certain exchange rate risk was provided in 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 the transactions of the Company and its subsidiaries used in various functional currencies, primarily with respect to the USD, RMB and HKD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

ii. The Group's management has a policy specifying that the companies within the Group manage the foreign exchange rate risk of its functional currency. Each company should hedge against its overall foreign exchange rate risk through the Group's finance department. The foreign exchange rate risk is measured through the expected transaction with highly probable expenditures in US dollars, in which the foreign exchange forward contract is adopted to reduce the impact on the fluctuation of foreign exchange rate over the expected purchase cost of inventories.

iii. The Group's foreign exchange rate risk is hedged through foreign exchange forward contract, while the hedge accounting is not adopted. Please refer to Note 6 (2) for the financial assets or liabilities measured at fair value through profit or loss.

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, HKD, THB, CAD and MYR). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

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(Foreign currency: functional currency)	June 30, 2024 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)	December 31, 2023 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)	June 30, 2023 Book value Foreign currency amount (In thousands)	Exchange rate	(NTD)
Financial assets									
Monetary items									
Cash in banks									
USD : NTD	$ 77,526	32.45	$2,515,719	$ 43,711	30.71	$ 1,342,146	$ 33,679	31.14	$ 1,048,764
RMB : NTD	140,451	4.45	624,305	93,720	4.33	405,526	35,420	4.28	151,668
USD : HKD	1,277	7.81	41,439	939	7.81	28,832	9,060	7.84	282,128
USD : RMB	24,768	7.30	803,722	8,831	7.10	271,156	13,429	7.27	418,179
USD : THB	9,350	36.60	303,408	13,868	34.05	425,817	32,172	35.32	1,001,836
Financial assets at fair value through profit or loss - current									
USD : NTD	$ -	-	$ -	$ -	-	$ -	$ 465	31.14	$ 14,470
Receivables									
USD : HKD	$ 1,814	7.81	$ 58,864	$ 2,247	7.81	$ 68,994	$ -	-	$ -
USD : NTD	252,978	32.45	8,209,125	310,381	30.71	9,530,242	178,278	31.41	5,551,589
USD : RMB	83,364	7.30	2,705,162	106,964	7.10	3,284,330	70,434	7.27	2,193,315
USD : THB	26,208	36.60	850,450	29,547	34.05	907,241	25,962	35.32	808,457
RMB : NTD	98,173	4.45	436,379	-	-	-	-	-	-
Non-monetary items									
Current financial assets at fair value through other comprehensive income									
USD : NTD	$ -	-	$ -	$ -	-	$ -	$ 5,000	31.14	$ 155,700
Investments accounted for under equity method									
USD : NTD	$ 106,822	32.45	$ 3,466,384	$ 106,814	30.71	$ 3,279,717	$ 98,497	31.14	$ 3,067,182
HKD : NTD	350,336	4.16	1,455,646	327,174	3.93	1,285,465	292,834	3.97	1,163,722
RMB : NTD	3,658	4.45	16,262	-	-	-	96,811	4.28	414,545

(Foreign currency: functional currency)	June 30, 2024			December 31, 2023			June 30, 2023		
	Book value			Book value			Book value		
	Foreign currency amount (In thousands)	Exchange rate	(NTD)	Foreign currency amount (In thousands)	Exchange rate	(NTD)	Foreign currency amount (In thousands)	Exchange rate	(NTD)
Financial liabilities									
Monetary items									
Bank loan									
USD : RMB	$ -	-	$ -	$ -	-	$ -	$ 17	7.27	$ 120
RMB : NTD	52,359	4.45	232,736	61,620	4.33	266,630	49,478	4.28	211,867
Payables									
RMB : NTD	$ 261,068	4.45	$ 1,160,447	$ 255,054	4.33	$ 1,103,619	$ 170,815	4.28	$ 731,430
USD : NTD	275,834	32.45	8,950,813	245,114	30.71	7,526,225	176,085	31.14	5,483,287
USD : RMB	36,821	7.30	1,194,841	43,357	7.10	1,331,277	32,208	7.27	1,002,957

(Foreign currency: functional currency)	June 30, 2024			December 31, 2023			June 30, 2023		
	Sensitivity analysis			Sensitivity analysis			Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial assets									
Monetary items									
Cash in banks									
USD : NTD	3%	$ 75,472	$ -	3%	$ 40,264	$ -	3%	$ 31,463	$ -
RMB : NTD	3%	18,729	-	3%	12,166	-	3%	4,550	-
USD : HKD	3%	1,243	-	3%	865	-	3%	8,464	-
USD : RMB	3%	24,112	-	3%	8,135	-	3%	12,545	-
USD : THB	3%	9,102	-	3%	12,775	-	3%	30,055	-
Financial assets at fair value through profit or loss - current									
USD : NTD	3%	$ -	$ -	3%	$ -	$ -	3%	$ 434	$ -
Receivables									
USD : HKD	3%	$ 1,766	$ -	3%	2,070	$ -	3%	$ -	$ -
USD : NTD		246,274			285,907			166,548	
USD : RMB	3%	81,155	-	3%	98,530	-	3%	65,799	-
USD : THB	3%	25,513	-	3%	27,217	-	3%	25,254	-
RMB : NTD	3%	13,091	-	3%	-	-	3%	-	-
Non-monetary items									
Current financial assets at fair value through other comprehensive income									
USD : NTD	3%	$ -	$ -	3%	$ -	$ -	3%	-	$ 4,671
Investments accounted for under equity method									
USD : NTD	3%	$ -	$ 103,992	3%	$ -	$ 98,392	3%	-	$ 92,015
HKD : NTD	3%	-	43,669	3%	-	38,564	3%	-	34,912
RMB : NTD	3%	-	488	3%	-	-	3%	-	12,436

(Foreign currency: functional currency)	June 30, 2024			December 31, 2023			June 30, 2023		
	Sensitivity analysis			Sensitivity analysis			Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	Degree of variation	Effect on profit or loss	Effect on other comprehensive income	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
Financial liabilities									
Monetary items									
Bank loan									
USD : RMB	3%	-	-	3%	-	-	3%	3,600	-
RMB : NTD	3%	6,982	-	3%	7,999	-	3%	6,356	-
Payables									
RMB : NTD	3%	$ 34,813	$ -	3%	$ 33,109	$ -	3%	$ 21,943	$ -
USD : NTD	3%	268,524	-	3%	225,787	-	3%	164,499	-
USD : RMB	3%	35,845	-	3%	39,398	-	3%	30,089	-

Total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Group for the three months and six months ended June 30, 2024 and 2023 amounted to a gain of $128,818 thousand, a gain of $129,511 thousand, a gain of $259,017 thousand, and a gain of $80,710 thousand, respectively.

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, financial assets at fair value through other comprehensive income and available-for-sale financial assets. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise shares and open-end funds issued by the domestic 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 3% with all other variables held constant, post-tax profit for the six months ended June 30, 2024 and 2023 would have increased/decreased by $1,364 thousand and $795 thousand, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $10,500 thousand and $19,514 thousand, respectively, as a result of other comprehensive income classified as available-for-sale equity investment and equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's borrowings are measured at amortized cost. The borrowings are periodically contractually repriced and to that extent are also exposed to the risk of future changes in market interest rates.

ii. If the borrowing interest rate had increased/decreased by 0.25% with all other variables held constant, profit (loss), net of tax for the six months ended June 30, 2024 and 2023 would have increased/decreased by $3,056 thousand and $1,648 thousand, respectively. The main factor is that changes in interest expense result in floating-rate borrowings.

iii. If the Current investments in debt instrument interest rate had increased/decreased by 0.25% with all other variables held constant, profit (loss), net of tax for the six months ended June 30, 2024 and 2023 would have decreased/increased by $166 thousand and $543 thousand, respectively. The main factor is that changes in interest expense result in 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 debt instruments stated at amortized cost, at fair value through profit or loss and at fair value through other comprehensive income.

ii. In accordance with the internal and explicit credit policy, each operating entities within the Group shall conduct management and credit risk analysis for each new customer before setting the terms and conditions for payment and delivery. The internal risk control system assesses the credit quality of the customer by taking into account its financial position, past experience and other factors. The limits of individual risks are set by the Board of Directors according to internal or external ratings, and the use of credit limits is regularly monitored. The main credit risk comes from cash and cash equivalents and deposits with banks and financial institutions. It also comes from customers' credit risks and includes outstanding receivables. For banks and financial institutions, only good credit rating agencies will be accepted as trading counterparts.

iii. For banks and financial institutions, the Group transacts with a variety of banks and financial institutions, mainly domestic and overseas well-known financial institutions, to avoid concentration in any single counterparty and to minimize credit risk. The Group can only enter into the financial services and loan agreement provided by banks and financial institutions after being approved by the Board of Directors or authorized management according to the Company's delegation of authorization policy. To prevent legal risks, all the Group signs with banks and financial institutions after all documents are examined by counsel or legal advisor profession. The Group periodically checks the credit rating, conditions and quality of service as well as transactions. According to the Group's operating condition, the credit limits and utilization of credit limits are monitored on a regular basis and maintained within a reasonable range to ensure it meets the needs of the operation.

iv. The Group adopts the assumptions under IFRS 9, the default occurs when the contract payments are past due over 90 days.

v. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

(i) If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

(ii) For investments in bonds that are traded over the counter, if any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is low.

vi. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganization due to their financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

vii. The Group classifies customers' accounts receivable, contract assets in accordance with geographic area. The Group applies the modified approach using provision matrix to estimate expected credit loss under the provision matrix basis.

viii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

ix. The Group used the forecastability of adjust historical and timely information to assess the default possibility of accounts receivable, contract assets and lease payments receivable. As of June 30, 2024, December 31, 2023 and June 30, 2023, the provision matrix is as follows:

June 30, 2024	Expected loss rate	Total book value	Loss allowance
Not past due	0.04%	$ 8,810,861	$ 3,144
Up to 30 days	3.04%	180,200	5,478
31~90 days	28.17%	6,937	1,954
91~180 days	100.00%	10,125	10,125
Over 180 days	100.00%	29,230	29,230
		$ 9,037,353	$ 49,931

December 31, 2023	Expected loss rate	Total book value	Loss allowance
Not past due	0.03%	$ 9,169,410	$ 2,843
Up to 30 days	3.32%	58,076	1,928
31~90 days	30.57%	2,535	775
91~180 days	100.00%	52	52
Over 180 days	100.00%	11,241	11,241
		$ 9,241,314	$ 16,839

June 30, 2023	Expected loss rate	Total book value	Loss allowance
Not past due	0.04%	$ 6,649,961	$ 2,509
Up to 30 days	3.98%	27,764	1,104
31~90 days	14.67%	21,900	3,213
91~180 days	100.00%	5,138	5,138
Over 180 days	100.00%	16,657	16,657
		$ 6,721,420	$ 28,621

x. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	2024	2023
	Accounts receivable	Accounts receivable
At January 1	$ 16,839	$ 21,447
Allowance of impairment loss	32,627	7,929
Effect of foreign exchange	465	(755)
At June 30	$ 49,931	$ 28,621

xi. For the six months ended June 30, 2024 and 2023, there was no loss allowance for investments in debt instruments at fair value through other comprehensive income.

xii. For investments in debt instruments at fair value through other comprehensive income, the credit rating levels are presented below:

	June 30, 2024	December 31, 2023	June 30, 2023
	Lifetime 12 months	Lifetime 12 months	Lifetime 12 months
Financial assets at amortized cost			
Group 1	$ 648,974	$ 935,966	$ 954,600
Group 2	50,000	-	-
	$ 698,974	$ 935,966	$ 954,600
Financial assets at fair value through other comprehensive income			
Group 3	$ -	$ -	$ 153,527

Group 1: Time deposits designated as investment grade.
Group 2: Debt instruments designated as investment grade.
Group 3: Debt instruments designated as investment grade.

(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. Group treasury invests surplus cash in interest bearing current accounts, time deposits,

money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

iii. 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. The amounts disclosed in the table are the contractual undiscounted cash flows.

iv. The Group has $14,405,167 thousand, $15,214,533 thousand and $16,516,328 thousand in undrawn borrowing facilities as of June 30, 2024, December 31, 2023 and June 30, 2023, respectively.

Non-derivative financial liabilities

June 30, 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$1,762,735	$ 68,479	$ -	$ -	$ -	$ 1,831,214
Accounts payable	4,704,893	2,007,111	-	-	-	6,712,004
Accounts payable - related parties	3,822,952	301,915	-	-	-	4,124,867
Other payables (including related parties)	2,192,156	62,351	-	-	-	2,254,507
Lease liabilities	23,943	67,294	21,747	37,054	10,131	160,169
Bonds payable	1,191,100	-	-	-	-	1,191,100
Long-term borrowings	117,464	303,806	594,376	211,442	95,102	1,322,190
Derivative financial liabilities						
Forward exchange contracts	5	-	-	-	-	5

Non-derivative financial liabilities

December 31, 2023	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 806,999	$ 335,431	$ -	$ -	$ -	$ 1,142,430
Accounts payable	4,420,705	1,095,596	-	-	-	5,516,301
Accounts payable - related parties	2,514,213	508,904	-	-	-	3,023,117
Other payables (including related parties)	1,345,409	106,420	-	-	-	1,451,829
Lease liabilities	22,026	59,943	50,440	40,457	13,462	186,328
Bonds payable	-	2,999,900	-	-	-	2,999,900
Long-term borrowings	109,542	371,473	371,473	546,398	98,287	1,530,780

Non-derivative financial liabilities

June 30, 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Derivative financial liabilities						
Forward exchange contracts	1,726	-	-	-	-	1,726

Non-derivative financial liabilities

June 30, 2023	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term borrowings	$ 37,229	$ 450,284	$ -	$ -	$ -	$ 487,513
Accounts payable	3,391,475	1,265,814	-	-	-	4,657,289
Accounts payable - related parties	1,918,040	379,726	-	-	-	2,297,766
Other payables (including related parties)	1,806,862	25,822	-	-	-	1,832,684
Lease liabilities	19,412	56,616	77,836	31,917	18,535	204,316
Bonds payable	-	-	3,000,000	-	-	3,000,000
Long-term borrowings	121,473	373,849	391,119	323,501	-	1,209,942
Derivative financial liabilities						
Forward exchange contracts	300	-	-	-	-	300

(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 takes place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, and derivative instruments with quoted market prices is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in certain derivative instruments and equity instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in certain derivative instruments, equity investment without active market and is included in Level 3.

B. Financial instruments not measured at fair value Financial instruments not measured at fair value include the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term and long-term borrowings, notes payable, accounts payable and other payables.

	June 30, 2024			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities				
Bonds payable	$ 1,189,784	$ -	$1,189,784	$ -

	December 31, 2023			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities				
Bonds payable	$ 2,982,261	$ -	$2,972,536	$ -

	June 30, 2023			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities				
Bonds payable	$ 2,967,947	$ -	$2,938,341	$ -

C. The related information of 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:

June 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ -	$ -	$ 45,457	$ 45,457
-Forward exchange contracts	-	9,587	-	9,587
-Fund	147,159	-	-	147,159
-Stocks	19,180	-	-	19,180
Financial liabilities at fair value through other comprehensive income				
- Equity securities	104,560	-	245,433	349,993
	$ 270,899	$ 9,587	$ 290,890	$ 571,376
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
-Forward exchange contracts	$ -	$ 5	$ -	$ 5

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ -	$ -	$ 45,828	$ 45,828
-Bonds investments	-	-	280,000	280,000
-Forward exchange contracts	-	13,166	-	13,166
-Fund	245,574	-	-	245,574
-Stocks	17,840			17,840
Financial liabilities at fair value through other comprehensive income				
- Equity securities	105,206	-	369,523	474,729
	$ 368,620	$ 13,166	$ 695,351	$ 1,077,137
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
-Forward exchange contracts	$ -	$ 1,726	$ -	$ 1,726

June 30, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ -	$ -	$ 26,484	$ 26,484
-Bonds investments	-	-	280,000	280,000
-Forward exchange contracts	-	14,470	-	14,470
-Fund	109,890	-	-	109,890
Financial liabilities at fair value through other comprehensive income				
- Equity securities	260,168	-	390,303	650,471
- Debt securities	-	153,527	-	153,527
	$ 370,058	$ 167,997	$ 696,787	$ 1,234,842
Liabilities				
Recurring fair value measurements				
Financial liabilities at fair value through profit or loss				
-Forward exchange contracts	$ -	$ 300	$ -	$ 300

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

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

	Listed shares	Open-end fund
Market quoted price	Closing price at evaluation date	Net asset value at evaluation date

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods.

iii. Forward exchange contracts are usually valued based on the current forward exchange rate.

iv. 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 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.

E. For the six months ended June 30, 2024 and 2023, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 for the six months ended June 30, 2024 and 2023:

	Six months ended June 30	
	2024	2023
At January 1	$ 695,351	$ 704,167
Sold in the period	(280,000)	-
Transferred to Investments accounted for using the equity method	(124,604)	-
(Losses) gains recognized in loss	(371)	(800)
Losses recognized in other comprehensive income	514	(6,580)
At June 30	$ 290,890	$ 696,787

G. 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 June 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity investment:					
Equity securities	$ 146,825	Market comparable companies	Price to book ratio multiple	1	The higher the multiplier, the higher the fair value
Private equity funds in venture capital	45,457	Net asset value	N/A	N/A	N/A
Private placement shares (listed companies)	98,608	Market price method	Discount for lack of marketability	36.1%	The higher the discount for marketability, the lower the fair value

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity investment:					
Equity securities	$ 136,887	Market comparable companies	Price to book ratio multiple	1	The higher the multiplier, the higher the fair value
Private equity funds in venture capital	45,828	Net asset value	N/A	N/A	N/A
Private placement shares (listed companies)	232,636	Market price method	Discount for lack of marketability	15.57%-41.45%	The higher the discount for marketability, the lower the fair value
Non-derivative debt investment:					
Convertible bonds	$ 280,000	Discounted cash flow method	Discount rate	-	The higher the discount rate, the lower the fair value

	Fair value at June 30, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity investment:					
Equity securities	$ 139,791	Market comparable companies	Price to book ratio multiple	1	The higher the multiplier, the higher the fair value
Private equity funds in venture capital	26,484	Net asset value	N/A	N/A	N/A
Private placement shares (listed companies)	250,512	Market price method	Discount for lack of marketability	18.8%-27%	The higher the discount for marketability, the lower the fair value
Non-derivative debt investment:					
Convertible bonds	$ 280,000	Discounted cash flow method	Discount rate	-	The higher the risk-free interest rate, the lower the fair value

H. The Group has carefully assessed 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 of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			June 30, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity securities	Price to book ratio multiple	±10%	$ -	$ -	$ 14,683	($ 14,683)

			December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Equity securities	Price to book ratio multiple	±10%	$ -	$ -	$ 13,689	($ 13,689)

			June 30, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
Equity securities	Price to book ratio multiple	±10%	$ -	$ -	$ 13,979	($ 13,979)

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: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: None.

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 4.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 5.

I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6 (2).

J. Significant inter-company transactions during the reporting periods: Purchases or sales of goods from or to related parties reaching $100 million or more: Please refer to table 6.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 7.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 8.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in Mainland China: Please refer to table 9.

(4) Major shareholders information

Major shareholders information: None.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. Business organization is divided into Taiwan, Shenzhen, Singapore and other segments based on the operating regions. The Company's revenue is mainly from manufacturing and sales of microphones, receivers, speakers and other electronic components.

(2) Measurement of segment information

The Group evaluates the performance of the operating segments based on post-tax profit or loss.

(3) Information about segment profit or loss, assets and liabilities

A. The segment information provided to the chief operating decision-maker for the reportable segments for the six months ended June 30, 2024 is as follows:

	2024					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Revenue						
Revenue from external customers	$ 13,811,572	$ 198,510	$ 3,738,009	$ 466,311	$ 433,248	$ 18,647,650
Inter-segment revenue	10,922	5,266,331	-	1,910,521	2,693,723	9,881,497
Total revenue	$ 13,822,494	$ 5,464,841	$ 3,738,009	$ 2,376,832	$ 3,126,971	$ 28,529,147
Segment pre-tax profit (loss)	$ 477,427	$ 141,375	$ 392,458	$ 301,214	$ 744,867	$ 2,057,341

Note: The Group does not use segment information relating to assets and liabilities to evaluate segment performance. As a result, such assets and liabilities to be disclosed amounted to $0.

B. The segment information provided to the chief operating decision-maker for the reportable segments for the six months ended June 30, 2023 is as follows:

	2023					
	Taiwan	Shenzhen	Singapore	Vietnam	Others	Total
Revenue						
Revenue from external customers	$ 11,131,424	$ 132,885	$ 3,608,671	$ 72,897	$ 541,315	$ 15,487,192
Inter-segment revenue	12,355	3,855,209	-	992,917	2,177,844	7,038,325
Total revenue	$ 11,143,779	$ 3,988,094	$ 3,608,671	$ 1,065,814	$ 2,719,159	$ 22,525,517
Segment pre-tax profit (loss)	$ 515,063	($ 190,941)	$ 405,825	$ 43,664	$ 140,169	$ 913,780

Note: The Group does not use segment information relating to assets and liabilities to evaluate segment performance. As a result, such assets and liabilities to be disclosed amounted to $0

C. The Group's reportable operating segments are classified based on the operating regions.

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

(4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

i. A reconciliation of income after adjustment and total segment income from continuing operations is provided as follows:

	Six months ended June 30	
	2024	2023
Adjusted revenue from reportable segments	$ 28,529,147	$ 22,525,517
Elimination of inter-segment revenue	(9,881,497)	(7,038,325)
Total consolidated operating revenue	$ 18,647,650	$ 15,487,192

ii. A reconciliation of adjusted current income before tax and the income before tax from continuing operations is provided as follows:

	Six months ended June 30	
	2024	2023
Adjusted income from reportable segments before income tax	$ 2,057,341	$ 913,780
Elimination of inter-segment income	(744,611)	(346,199)
Income from continuing operations before income tax	$ 1,312,730	$ 567,581

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Loans to others
Six months ended June 30, 2024

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance for the three months ended June 30, 2024	Balance at June 30, 2024	Actual amount drawn down	Interest rate	Nature of loan (Note 2)	Amount of transaction with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 1)	Ceiling on total loans granted (Note 1)	Footnote
													Item	Value			
0	MEHO	FUXM	Other receivables	Y	$ 60,000	$ 60,000	$ -	-	2	$ -	Acquisition for plant	$ -	-	$ -	$5,851,836	$14,629,589	
1	MESG	MENA	Other receivables	Y	324,500	324,500	139,535	1.13-4.83	2	-	Business operation	-	-	-	2,309,058	2,309,058	
1	MESG	SENM	Other receivables	Y	81,125	81,125	32,450	3.52-4.64	2	-	Business operation	-	-	-	2,309,058	2,309,058	
2	MECL	ASCX	Other receivables	Y	35,560	35,560	28,893	3.45	2	-	Business operation	-	-	-	1,429,640	3,574,101	
2	MECL	FUXM	Other receivables	Y	57,785	57,785	57,785	3.45	2	-	Business operation	-	-	-	1,429,640	3,574,101	

Note 1:(1) The ceiling on MESG total loans to others is MESG’s net assets; for short-term financing, the limit to a single party is 40% of MESG’s net assets.
(2) The ceiling on MESL total loans to others is MESL’s net assets; for short-term financing, the limit to a single party is 40% of MESL’s net assets.
(3)The restrictions in (1) shall not apply to short-term financing among affiliates in the group. The limit to a single party is MESG’s net assets.
(4) For MESG’s and MECL’s business transactions, limit on loans granted for a single party is the amount of the transactions.
(5) The limit on the Company’s loans granted for Fulicare Medical Instruments (Xiamen) Co., Ltd. ("FUXM") is within 40% of the Company’s net assets, for short-term financing purpose.
Note 2:(1) For MESG’s and MECL’s business transactions.
(2) For short-term financing.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Provision of endorsements and guarantees to others
Six months ended June 30, 2024

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/ guarantor	Party being Endorsed/guaranteed: Company name	Party being Endorsed/guaranteed: Relationship with the endorser/ guarantor (Note 2)	Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of June 30, 2024	Outstanding endorsement/ guarantee amount as of June 30, 2024	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 (Note 4)	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
0	MEHO	MENA	2	$ 11,703,671	$ 84,370	$ -	$ -	$ -	0.00%	$ 14,629,589	Y	N	N	

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: Relationship between the endorser/guarantor and the party being endorsed/ guaranteed is classified into the following four categories; fill in the number of category each case belongs to:

(1) Having business relationship.

(2) The Company holds over 50% of the voting rights directly or indirectly.

(3) This company holds over 50% of the voting rights of the Company directly or indirectly.

(4)The Company holds over 90% of the voting rights directly or indirectly.

Note 3: The guarantees and endorsements for a single party should not exceed 80% of the Company’s net assets.

Note 4: The ceiling on total amount of endorsements/guarantees provided to others by the Company is 100% of the Company's net assets.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

June 30, 2024

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account	As of June 30, 2024				Note
				Number of shares	Book value (in thousands)	Ownership (%)	Fair value (in thousands)	
The Company	Fund - 76324296A KGI Taiwan Multi-Asset Income Fund A TWD	-	Financial assets mandatorily measured at fair value through profit or loss - current	5,015	$ 50,000	-	$ 63,340	
The Company	Fund - UPAMC Wealthy Fund	-	Financial assets mandatorily measured at fair value through profit or loss - current	5,000	50,000	-	60,399	
The Company	Stock-Foxtron Vehicle Technologies	-	Financial assets mandatorily measured at fair value through profit or loss - current	400	20,480	-	19,180	
MUTT	Fund - Taishin 1699 Money Market Fund	-	Financial assets mandatorily measured at fair value through profit or loss - current	1,668	23,207	-	23,420	
					143,687		$ 166,339	
			Valuation adjustment		22,652			
					$ 166,339			
The Company	Fund - JAFCO	-	Financial assets mandatorily measured at fair value through profit or loss - non-current	919	$ 27,652	0.71%	$ 25,646	
The Company	Fund-WK Technology	-	Financial assets mandatorily measured at fair value through profit or loss - non-current	2,000	20,000	1.78%	19,811	
					47,652		$ 45,457	
			Valuation adjustment		(2,195)			
					$ 45,457			
The Company	Stock - 2881B.TW	-	Equity instruments measured at fair value through OCI - current	683	$ 40,980	-	$ 40,707	
The Company	Stock - 2882B.TW	-	Equity instruments measured at fair value through OCI - current	585	35,100	-	34,573	
The Company	Stock - 5871A	-	Equity instruments measured at fair value through OCI - current	300	30,000	-	29,280	
					106,080		$ 104,560	
					(1,520)			
					$ 104,560			
The Company	Stock - 4943.TW	-	Measured at fair value through other comprehensive income - non-current	7,712	$ 648,164	6.66%	$ 98,608	
The Company	Stock - FUJITER Semiconductor CO.,LTD.	-	Measured at fair value through other comprehensive income - non-current	2,126	27,811	9.79%	18,048	
The Company	Stock - NETVOX TECHNOLOGY CO., LTD	-	Measured at fair value through other comprehensive income - non-current	324	2,976	1.32%	-	
The Company	Stock - -EVER THAI AGRI-PRODUCT CO.,LTD.	-	Measured at fair value through other comprehensive income - non-current	683	6,425	4.64%	2,255	
The Company	Stock - -SUNSINO SME Development Co., Ltd.	-	Measured at fair value through other comprehensive income - non-current	169	2,123	0.36%	2,822	
The Company	Stock - -LINSATION Intelligent Technology Limited	-	Measured at fair value through other comprehensive income - non-current	75	8,772	6.19%	2,989	
The Company	Stock - MERRY FULING CO., LTD., TAIWAN BRANCH (SAMOA)	-	Measured at fair value through other comprehensive income - non-current	356	10,437	19.00%	11,329	
					706,708		$ 136,051	
			Valuation adjustment		(570,657)			
					$ 136,051			
MEST	Stock - Perfect Fortune Inc	-	Measured at fair value through other comprehensive income - non-current	2,126	$ 8,835	18.33%	$ 82,843	
MEST	Stock - LOYAL WIRE& CABLE COMPANY LTD	-	Measured at fair value through other comprehensive income - non-current	1,159	8,517	18.33%	21,205	
ASCX	Stock - DeTing (Xiamen) Health Technology Co., Ltd.	-	Measured at fair value through other comprehensive income - non-current	-	445	10.00%	444	
ASCX	Stock - Beijing Wanling Hearing Aids	-	Measured at fair value through other comprehensive income - non-current	-	4,890	19.64%	4,890	
					22,687		$ 109,382	
			Valuation adjustment		86,695			
					$ 109,382			
The Company	Bond - P13 Fubon Life Insurance 1A	-	Financial assets at amortized cost – non-current	-	$ 50,000	-	$ 50,000	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS 9.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more

Six months ended June 30, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchase/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (Note 2)	Percentage of total notes/ accounts receivable payable	Note
The Company	MECL	A subsidiary of the Company	Purchases	$ 4,702,369	25%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	($ 2,832,122)	26%	(Note 3)
The Company	MEVN	A subsidiary of the Company	Purchases	1,908,756	10%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(1,589,997)	15%	(Note 3)
The Company	MECH	Investment accounted for using the equity method	Purchases	2,561,907	14%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(1,440,134)	13%	
The Company	MECE	Investment accounted for using the equity method	Purchases	4,177,447	22%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(2,023,201)	19%	
METC	The Company	Parent company	Purchases	1,928,633	10%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(1,494,993)	14%	(Note 3)
MESG	MECL	A subsidiary of the Company	Purchases	611,975	3%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(316,289)	3%	(Note 3)
MESG	METC	A subsidiary of the Company	Purchases	2,539,788	14%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(846,950)	8%	(Note 3)
MESG	MECH	Investment accounted for using the equity method	Purchases	127,171	1%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(43)	0%	
METC	DONPON	Investment accounted for using the equity method	Purchases	365,235	2%	120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(233,740)	2%	
MECL	DONPON	Investment accounted for using the equity method	Purchases	176,048	1%	120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(157,969)	1%	
LUXSHARE PRECISION SINGAPORE PTE.LT	MEVN	A subsidiary of the Company	Purchases	367,467	2%	60 - 120 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(335,453)	3%	
MEVN	The Company	Parent company	Purchases	136,051	1%	60 - 65 days end of month after offsetting with accounts receivable	(Note 1)	30~120 days end of month for the third parties	(98,214)	1%	(Note 3)

Note 1: For purchase transactions with related parties, the price is based on the profitability of the product and will be adjusted annually.

Note 2: The balance is the net amount after offsetting accounts receivable and payable due from/ to related parties.

Note 3: Inter-company transactions between companies within the Group are eliminated.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Receivables from related parties reaching $100 million or 20% of paid-in capital or more
June 30, 2024

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance of accounts receivable due from related party: General ledger account	Balance of accounts receivable due from related party: Amount	Balance of accounts receivable due from related party: Turnover rate	Overdue receivables: Amount	Overdue receivables: Action taken	Amount collected subsequent to the balance sheet date (Note2)	Allowance for doubtful accounts	Note
The Company	METC	A subsidiary of the Company	Accounts receivable	$ 1,494,993	2.64	$ -	-	$ 342,478	$ -	(Note 1)
MECL	The Company	Parent Company	Accounts receivable	2,832,122	3.04	-	-	954,338	-	(Note 1)
MECL	MESG	A subsidiary of the Company	Accounts receivable	316,289	3.65	-	-	73,241	-	(Note 1)
METC	MESG	A subsidiary of the Company	Accounts receivable	846,950	5.81	-	-	333,373	-	(Note 1)
MEVN	The Company	Parent Company	Accounts receivable	1,589,997	2.90	-	-	341,633	-	(Note 1)
MEVN	LUXSHARE PRECISION SINGAPORE PTE.LT	A other related party of the Group	Accounts receivable	335,453	1.98	-	-	35,412	-	
The Company	MECH	Investment accounted for using the equity method	Other Receivable	277,828	-	-	-	74,440	-	(Note 3)
MESG	MENA	A subsidiary of the Company	Other Receivable	139,535	-	-	-	-	-	(Note 1、3)

Note 1: Inter-company transactions between companies within the Group are eliminated.
Note 2: The balance was as at July 25, 2024.
Note 3: The amount comprises other receivables and thus, the turnover rate is not calculated.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Significant inter-company transactions during the reporting periods
Six months ended June 30, 2024

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction				Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount		Transaction terms	
0	MEHO	MECL	1	Purchases	$	4,702,369	The price is based on the profitability of the product	25%
0	MEHO	MECL	1	Accounts payable		2,832,122	60~65 days end of month after offsetting with accounts receivable	8%
0	MEHO	MEVN	1	Purchases		1,908,756	The price is based on the profitability of the product	10%
0	MEHO	MEVN	1	Accounts payable		1,589,997	60~65 days end of month after offsetting with accounts receivable	4%
1	METC	MEHO	2	Purchases		1,928,633	The price is based on the profitability of the product	10%
1	METC	MEHO	2	Accounts payable		1,494,993	60~120 days end of month after offsetting with accounts receivable	4%
2	MEVN	MEHO	2	Purchases		136,051	The price is based on the profitability of the product	1%
2	MEVN	MEHO	2	Accounts payable		98,214	60~65 days end of month after offsetting with accounts receivable	0%
3	MESG	MECL	3	Purchases		611,975	The price is based on the profitability of the product	3%
3	MESG	MECL	3	Accounts payable		316,289	60~65 days end of month after offsetting with accounts receivable	1%
3	MESG	METC	3	Purchases		2,539,788	The price is based on the profitability of the product	14%
3	MESG	METC	3	Accounts payable		846,950	60~65 days end of month after offsetting with accounts receivable	2%

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 counter party is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
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.

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Information on investees
Six months ended June 30, 2024

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as on June 30, 2024			Net profit (loss) of the investee for the year ended June 30, 2024	Investment income (loss) recognized by the Company for the year ended June 30, 2024	Note
				Balance as on June 30, 2024	Balance as on December 31, 2023	Number of shares (in thousand shares)	Ownership (%)	Book value			
The Company	MEST	HONG KONG	Sales of microphone, receiver and speaker	$ 733,733	$ 733,733	19,658	100.00	$ 5,189,972	$ 272,795	$ 242,957	(Note 1)
The Company	DDBV	British Virgin IS.	General investment business	1,479,925	1,479,925	48,005	100.00	3,466,591	95,214	89,142	(Note 1)
The Company	LEOHAB ENTERPRISE CO.,LTD.	Taichung City	Plastic injection molding and metal stamping	79,689	79,689	4,036	13.81	61,822	126,334	24,910	
The Company	DONPON PRECISION INC.	Taoyuan City	Various plastic products, mold manufacturing and processing and trading business	386,010	386,010	19,723	16.09	468,696	124,906	17,018	(Note 1)
The Company	SYNergy ScienTech Corp.	Hsinchu City	Research, development, manufacture and sale of secondary lithium batteries	135,869	-	7,300	7.79	136,520	5,791	708	(Note 1)
The Company	MECA	U.S.A.	Technique, marketing and after service	28,887	28,887	999	99.90	36,703	(509)	(509)	
The Company	MESG	SINGAPORE	Sales of microphone, receiver and speaker	92,132	92,132	800	100.00	2,309,058	326,898	326,898	
The Company	METC	THAILAND	Microphone, components and product and sale of other electric products	484,358	484,358	5,060	99.99	977,358	124,344	125,429	(Note 1)
The Company	MHKY	CAYMAN	Sales of medical device	857,946	857,946	27,992	100.00	287,577	(2,167)	(2,167)	
The Company	INSA	SAMOA	General investment business	1,293,008	1,293,008	302	100.00	443,535	(87,206)	(87,206)	
The Company	MEVN	VIETNAM	Manufacturing of sales of speaker, microphone and headphone products	366,710	366,710	-	51.00	976,141	268,417	125,379	(Note 1)
The Company	MUTT	New Taipei City	Manufacturing and application service of electrical appliances and audiovisual electronic products	30,600	30,600	3,060	51.00	13,034	(5,825)	(2,970)	
The Company	MCTT	Taichung City	General investment business	8,000	8,000	800	100.00	9,426	999	999	
The Company	MAC FUND	Taipei City	General investment business	123,733	123,733	-	42.67	117,477	7,827	3,340	
MESG	MEMP	Malaysia	Research and development of microphone, receiver and speaker	15,969	15,969	2,400	100.00	15,542	6,857	-	(Note 2)
MCTT	MAC FUND	Taipei City	General investment business	2,900	2,900	-	1.00	2,754	7,827	78	
DDBV	MTHK	HONG KONG	General investment business	1,392,956	1,392,956	48,000	100.00	3,466,384	95,214	-	(Note 2)
MHKY	FUSA	SAMOA	General investment business	795,943	795,943	27,160	96.01	290,316	(2,162)	-	(Note 2)
INSA	MENA	CANADA	Sale and development of speaker and power amplifier	92,445	92,445	56,954	100.00	(23,958)	(74,095)	-	(Note 2)
MENA	SENM	NORWAY	Manufacture and sales of speaker monomer	23	23	-	100.00	53,482	(3,315)	-	(Note 2)

Note 1: The investment income included unrealized gains or losses and realized gains arising from upstream transactions.
Note 2: The investee is second subsidiary and investment income (loss) is not shown.
Note 3: Please refer to Note 4 (3).

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Information on investees in Mainland China
Six months ended June 30, 2024

Table 8

Expressed in thousands of NTD
(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 of January 1, 2024	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for six months ended June 30, 2024: Remitted to Mainland China	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for six months ended June 30, 2024: Remitted back to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2024	Net income of investee for six months ended June 30, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for six months ended June 30, 2024	Book value of investments in Mainland China as of June 30, 2024 (Note 4)	Accumulated amount of investment income remitted back to Taiwan as of June 30, 2024	Note
MEDG	Research and development of sound equipment, earphones, mobile power supply, charging box, cable, connector, electronic components, plastic hardware, mold and antenna	$ 889,000	(Note 1)	$ 452,564	$ -	$ -	$ 452,564	$ 5,473	49.00%	$ 2,682	$ -	$ -	Note 5
MSCS	Manufacture of speaker and amplifier	153,675	(Note 1)	110,497	-	-	110,497	(8,980)	100.00%	(8,980)	126,782	-	
MECL	Microphone, receiver, speaker, security system, induction cooker and other electronic component	423,804	(Note 2)	453,191	-	-	453,191	120,009	100.00%	120,009	3,574,101	2,282,120	Note 3
MECE	Manufacture and sales of microphone, receiver and speaker	2,781,410	(Note 2)	1,369,285	-	-	1,369,285	194,311	49.00%	89,141	3,466,384	295,185	Note 3
MECS	International trade, transit trade and trading consulting; trading amongst companies in bonded area and trading agency in the area	7,377	(Note 2)	6,055	-	-	6,055	1	49.00%	-	(1,138)	40,321	
MECH	Manufacture and sales of microphone, receiver, speaker and mobile phone	444,500	(Note 2)	420,687	-	-	420,687	318,172	49.00%	133,416	1,456,784	213,003	Note 3
FUSZ	Manufacture of medical device	285,295	(Note 2)	310,763	-	-	310,763	(1,508)	96.01%	(1,448)	241,751	-	
ETCX	Retail sales of hearing products	20,003	(Note 2)	19,009			19,009	(3,106)	96.01%	(2,982)	(34,466)	-	
ASCX	Manufacture and sales of hearing aid, hearing device and acoustics equipment	98,950	(Note 2)	315,461	-	-	315,461	11,072	95.53%	10,577	32,085	-	
FUXM	Sales of medical device	309,519	(Note 2)	302,995	-	-	302,995	2,327	96.01%	2,235	26,642	-	
DONG GUAN GET PINK	Manufacture and sales of earphones and speaker	70,009	(Note 2)	-	-	-	-	(607)	33.00%	(162)	16,262	-	

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES
Information on investees in Mainland China
Six months ended June 30, 2024

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Note 1: Reinvesting in the investee in Mainland China through the parent company.
Note 2: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
Note 3: The financial statements that are audited and attested by R.O.C. parent company's CPA.
Note 4: The amount in the table is translated into New Taiwan dollars at the closing exchange rates prevailing at the balance sheet date.
Note 5: Please refer to Note 6 (7).

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of June 30, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission (MOEA) (Note 1)
Merry Electronics Co., Ltd.	$ 3,760,507	$ 4,178,588	$ 8,777,753

Note 1: (2001) Tai-Cai-Zheng (1) Letter No. 006130 of Securities and Futures Commission, Ministry of Finance, R.O.C

MERRY ELECTRONICS CO., LTD. AND SUBSIDIARIES

Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

Six months ended June 30, 2024

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

		Sales (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/ guarantee or collaterals		Financing				
Investee in Mainland China	Counterparty	Amount	%	Amount	%	Balance on June 30, 2024	%	Balance on June 30, 2024	Purpose	Maximum balance during the three months ended June 30, 2024	Balance on June 30, 2024	Interest rate	Interest during the three months ended June 30, 2024	Others
MECL	MEHO	($ 4,702,369)	25%	$ -	-	($ 2,832,122)	26%	$ -	-	$ -	$ -	-	$ -	-
MECL	MESG	(611,975)	3%	-	-	(316,289)	3%	-	-	-	-	-	-	-
MECE	MEHO	(4,177,447)	22%	-	-	(2,023,201)	19%	-	-	-	-	-	-	-
MECH	MEHO	(2,561,907)	14%	-	-	(1,440,134)	13%	-	-	-	-	-	-	-
MECH	MESG	(127,171)	1%	-	-	(43)	0%	-	-	-	-	-	-	-