



# WPG Holdings Limited

2022 Annual Report

Stock Code : 3702

Taiwan Stock Exchange Market ObservationPost System:

<http://mops.twse.com.tw>

WPG annual report is available at:

[https://www.wpgholdings.com/investors/financial\\_highlights/zhtw/annual-reports](https://www.wpgholdings.com/investors/financial_highlights/zhtw/annual-reports)

Printed on Apr 27, 2023

A graphic illustration on a dark blue background. It features a world map where the continents are represented by white circuit board traces. The background is filled with a complex network of these traces, connecting different parts of the globe. The word 'Globalization' is written in large, bold, white sans-serif font across the center of the map.

# Globalization

■ **WPG Spokesperson**

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 Title Name: Chief Financial Officer  
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■ **Deputy Spokesperson**

Name: Zoe Peng  
 Title Name: Director  
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■ **Head Office & Branches**

| Establishment | Address                                                    | Tel.           |
|---------------|------------------------------------------------------------|----------------|
| Head Office   | 22F., No. 189, Jingmao 2nd Rd., Nangang Dist., Taipei City | (02) 2191-0068 |
| Branch        | None                                                       |                |
| Factory       | None                                                       |                |

■ **Common Share Transfer Agent and Registrar**

Name: Capital Securities Corporation  
 Address: B2, No.97, Sec. 2, Dunhua S Rd., Da'an Dist., Taipei City  
 Tel.: (02) 2702-3999  
 Website: <http://www.capital.com.tw>

■ **Last Annual Financial Statements Auditors**

Name: Chun-yao Lin; Chien-hung Chou  
 Accounting Firm: PricewaterhouseCoopers Taiwan  
 Address: 27F., No.333, Sec. 1, Keelung Rd., Taipei City  
 Tel.: (02) 2729-6666  
 Website: <https://www.pwc.tw>

■ **Listing Exchange for Euro-Convertible Bonds**

None

■ **Corporate Website:** <http://www.wpgholdings.com>      **Email:** [ir@wpgholdings.com](mailto:ir@wpgholdings.com)

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## 1. Letter to Shareholders

WPG has long been devoted to the Asia-Pacific market. Through a continuous focus on both global and local operations, combined with accurate product distribution, enhancement of employee productivity, and constant expansion of the operation dimension, we have been awarded the “Outstanding International Branded Distributors” for 22 consecutive years. The value-added services provided by our company in the semiconductor supply chain are well recognized. After years of active deployment, WPG sufficiently grasps market growth opportunities by continue growing in market applications, offering supply chain management service with added value, providing components and turnkey solutions with a competitive advantage, and helping our customers develop and invest in future markets. We aim to create win-win-win situations with our vendors and customers.

### 1. 2022 Review

WPG’s consolidated revenue in 2022 reached NT\$775.232 billion (US\$25.972 billion), and the net profit after tax reached NT\$10.512 billion. Basic earnings per share (EPS) were NT\$6.02. Key performance indicators Return on Working Capital (ROWC) and Return on Equity (ROE) were 9.73% and 13.88%, respectively, through continuously reinforcing the resilience of the supply chain and enhancing the operational quality of every function to increase profit margins. WPG values sustainable development and actively responds to the Sustainable Development Goals adopted by the United Nations to fulfill various commitments to stakeholders. To strengthen sustainable development practices, in February 2022, the formerly "Corporate Sustainability Committee" was reorganized as the "ESG and Sustainable Development Committee", which serves as the highest guiding organization for the Company's sustainable governance operations to successfully strategize the setting of the Group's overall sustainable goals and implementation of concrete action plans. The designated unit, "ESG Office" was established under the Committee to manage sustainability-related affairs, focusing on five aspects including corporate governance, environmental sustainability, human capital development, social participation, and sustainable supply chain.

In 2022, WPG won the "Taiwan Sustainable Corporation Award", "Taiwan Top 100 Sustainability Corporate Role Model Award (Service Industry)" in the category of comprehensive performance, and " Corporate Sustainability Report - Service Industry Gold Award" from Taiwan Corporate Sustainability Awards. (TCSA)

- Environmental aspect: WPG took the lead among global semiconductor component distributors and pledged to achieve Net Zero Emissions by 2050 and Net Zero in own operations including office buildings and warehouses by 2030. Therefore, in 2022, the main operations and warehouses were inspected to obtain

the ISO 14064 Greenhouse Gas Validation and Verification. WPG actively builds smart warehouses as well to considerably increase operational efficiency.

- Social aspect: (1) Through Employee Stock Ownership Trust (ESOT), the Company provided a diverse profit-sharing mechanism, such as raising benefits for employees and striving to retain talents, as well as integrated employees' performance with shareholders' interests. (2) Introducing online learning systems to cultivate talents, increasing 4% of the total number of learning hours, (3) Conducting working surveys in the Greater China region, listening to employees' ideas, and building a corporate with happiness; (4) Industry-academia collaboration to enhance the seamless integration of campus and workplace; (5) Regularly holding charity activities, calling on employees to participate in sending love and warmth to the underprivileged, a total of more than 33 social welfare organizations have benefited, (6) During the pandemic time, the employee's health is well taken care of, the Company provided the paid vaccine leave, free lunch for virus prevention, and free rapid test kits.
- Governance aspect: (1) The evaluation score of the Company governance ranked among the top 20% of listed companies. (2) The Shareholders' meeting was earlier convened in May. (3) Increasing information transparency, financial reports were announced within 2 months after the end of the fiscal year. (4) Obtaining the Taiwan Intellectual Property Management System (TIPS) A-level certification. (5) ISO27001 information security management certified. (6) Continuing promoting business ethics and conducting ethics training courses for all employees.

## 2. 2023 Outlook

In 2023, the Company will mainly focus on “Global Service” and “Continuous Operation” concerning the general trend of the global supply chain. Having digital transformation as the foundation, WPG actively cooperates with vendors and customers regarding supply chain transfer plan through both online platforms and offline teams, and searches for new product lines based on customer needs in various regions. We construct and explore new business models, from LaaS ( Logistics as a Service) to BPaaS (Business Process as a Service), to interpret tomorrow with the day after and illustrate the look of the industry ten years later.

- Key financial indicators: Increase net income and effectively control operating costs, and enhance the management of reinvestment to increase the contribution of comprehensive income and net worth. Use ROWC as the key financial indicator to continuously reinforce operational asset management, and optimize product mix. Improve account receivable and collateral management to ensure asset

quality and liquidity. Utilize financial leverage discreetly as well as enhance asset structure and profitability to improve shareholders' return on equity and dividend distribution.

- Market influence expansion: continue to expand internal and external brand recognition and promote brand marketing, complete online and offline brand activities and Cause Marketing plans, increase brand ultimate durability; integrate internal and external industry intelligence in the service platform, assist the front end to grasp market opportunities, strengthen the long-lasting ability to improve accurate marketing; capitalize on WPG's social media resources, continue to collaborate closely with local media, and provide diversified value-added exposure for front-end techniques.
- Product portfolio management and enhancement: continue to optimize the abilities of WPGDADAWANT platform, connect and strengthen the customer relationship with new services, new applications, and new functions, as well as meet the customers' requirements for global service layout with transparent, speedy, and accurate feedback. At the same time, the platform services are enhanced with innovative processes to create a win-win situation with customers.
- Risk management in operation: establish a project team for the relevant risk management in consideration of global changes, and continue to follow up regularly for the existing risk management projects, including nine key risk responses, KRI (Key Risk Indicator) management, the agency risk, the risk of customer's dead loan, the risk management for unusual transaction investigation and analysis, logistics warehouse emergency response and the risk management for BCM (Business Continuity Management), establish a monitoring indicator mechanism and the tracking management with reports for the risk response.
- Integration process and information platform: driven by the goal of "Business Digitalization", the Company empowers the employee with diverse digital tools at the front and back ends. These digital work platforms extend from the WPGDADAWANT in the beginning to different functional units. Through the visualization platform of digital data from each functional process, we provide direct, real-time, and flexible data information according to the needs of the operation, to provide more accurate data for the management team and front-line staff, assisting them to track and evaluate daily operational decisions.
- Smart logistics and warehousing: Logistics management continues to elevate service quality by adhering to a customer-oriented concept. Through constructing an information platform that integrates internal and external information, WPG expects to shape a collaborative ecosystem with our partners, and enormously enhance operational efficiency with smart transportation and smart distribution.
- Corporate governance and sustainable development: The focus includes planning carbon reduction paths, strenuously cooperating with upstream and downstream

partners in environmental strategies, promoting business ethics, implementing risk management, strengthening human capital, and enhancing information transparency, together with strengthening the structure and operation of the Board of Directors to achieve the goal of top 5% of listed companies in the Corporate Governance Evaluation.

Going forward, WPG will establish solid corporate governance as the foundation, continue to improve sustainable management, create a sustainable corporate with resilience, and cultivate enduring competitiveness; uphold the spirit of openness, persist in listening to the voice of the market. Through good engagement and communication with our stakeholders such as our customers, suppliers, employees, banks, investors, and competent authorities...etc., we band together aiming to achieve the sustainable goals of “Grow Together, Strive Together, and Win Together.”

We sincerely welcome all our peers and shareholders to share their concerns and advice with us.

Chairman: Simon Huang

Chief Executive Officer: Mike Chang

Chief Financial Officer: Cliff Yuan

## 2. Company Profile

2.1 Date of Incorporation: November 9, 2005

### 2.2 Milestones

|           |                                                                                                                                                                                                                                                                                                                   |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Nov, 2005 | WPG Holdings Limited (hereinafter referred to as WPG or the Company) was incorporated as a holding company of World Peace Industrial Co., Ltd., and Silicon Application Corporation by exchanging shares of common stock. The Company went public on the Taiwan Stock Exchange (TSE) with the stock code of 3702. |
| May, 2006 | Ranked top 10 among the leading 500 service companies in Taiwan by Commonwealth Magazine.                                                                                                                                                                                                                         |
| Jun, 2006 | Ranked 4th largest electronics component distributor globally and the 1st largest electronics component distributor in APAC by Electronic Supply & Manufacturing (ESM).                                                                                                                                           |
| Jun, 2006 | The Shareholders' Meeting resolved to pay out NT\$ 0.16 for cash dividend per share.                                                                                                                                                                                                                              |
| 2006      | Newly appointed by CREE, ACTIONS, Microchip, and Mstar as distributor in APAC or greater China, underpinning High Power LED, and mobile device, imaging, consumer electronics markets in Mainland China.                                                                                                          |
| Jan, 2007 | Established WPG Korea Co., Ltd. that dedicated to serve Korean customers                                                                                                                                                                                                                                          |
| Apr, 2007 | Ranked the largest electronic component distributor in APAC by ESM.                                                                                                                                                                                                                                               |
| May, 2007 | Ranked top 10 among the leading 500 service companies in Taiwan by Commonwealth Magazine; ranked top 100 among the leading 1000 companies in the Mainland, Taiwan and Hong Kong by Business Weekly.                                                                                                               |
| May, 2007 | Ranked as The Most Preferred Regional Distributor by Electronics Supply and Manufacturing-China (ESMC); special consideration in The Best Supply Capability, The Best Technical Support, and The Best Logistics Service.                                                                                          |
| Jun, 2007 | The Shareholders' Meeting resolved to pay out NT\$ 1.2 for cash dividend per share and NT\$ 0.5 for stock dividend per share.                                                                                                                                                                                     |
| 2007      | Newly appointed by LITEON and Renesas as distributor in APAC or greater China.                                                                                                                                                                                                                                    |
| Jan, 2008 | Awarded MII sponsored, CQAE and CEPA co-certified RECS qualifications in Mainland China; supply & distribution recognized for being one of the first to qualify.                                                                                                                                                  |
| May, 2008 | Awarded as No.1 IC distributor by Commonwealth Magazine and Business Weekly.                                                                                                                                                                                                                                      |
| May, 2008 | Re-elected as the Best and Largest Asian Electronics Distributor and ranked the 3rd worldwide semiconductor distributor by My-ESM!                                                                                                                                                                                |
| Jun, 2008 | Re-elected as The Best Overseas Distributor by ESMC, the only company with special consideration in The Best Supply Capability, The Best Technical Support, The Best Logistics Service, and The Best E-commerce Capability.                                                                                       |

|           |                                                                                                                                                                                                                                    |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Jun, 2008 | The Shareholders' Meeting resolved to pay out NT\$ 2.15 for cash dividend per share, and NT\$ 0.315 for stock dividend per share.                                                                                                  |
| Jun, 2008 | Re-elected Board of Directors in advance in the annual Shareholders' Meeting; increased independent director board seats from 2 to 5, accounted for one third of the Board; Audit Committee composed by all independent directors. |
| Jul, 2008 | WPG acquired passive component distributor Pemas Electronics Co., Ltd. (stock code: 3256) through share swap, with Jul. 16 as reference date of the share swap.                                                                    |
| Oct, 2008 | Moved to a new office at 10F., No. 97, Sec. 2, Dun Hua S. Rd., Taipei 106, Taiwan, R.O.C.                                                                                                                                          |
| Oct, 2008 | Investment and finance committee established.                                                                                                                                                                                      |
| 2008      | Newly appointed by SETi, Telechips, Elan, Harvatek, and Volterra as distributor in APAC or greater China distributor.                                                                                                              |
| Feb, 2009 | WPG announced to acquire AIT (Code: 6159) 100% share by share swap; effective date for closure was set for February 6th, 2009.                                                                                                     |
| Feb, 2009 | Remuneration committee established.                                                                                                                                                                                                |
| May, 2009 | Included by MSCI as the first-ever Taiwan IC distributor constituent.                                                                                                                                                              |
| Jun, 2009 | Elected as the Best Overseas Authorized Distributor by ESMC, and rated as having The Best Logistic Capability, The Best Technical Support, and The Best Volume Flexibility.                                                        |
| Jun, 2009 | Re-elected as the No. 1 Electronics Distributor in APAC by EETimes, and ranked as the 3rd worldwide distributor.                                                                                                                   |
| Jun, 2009 | The Shareholders' Meeting resolved to pay out NT\$ 1.40 for cash dividend per share.                                                                                                                                               |
| Dec, 2009 | WPG launched webinars that attracted much attention from customers in Mainland China.                                                                                                                                              |
| Dec, 2009 | WPG Electronics (HK) awarded Logistics Awards Hong Kong.                                                                                                                                                                           |
| 2009      | Newly appointed by TA-I, TDK, KEMET, Wintek, K.S Terminals Inc., Macro Image Technology, Orister Corp., and SG Micro Corp. (Hong Kong) as distributor in APAC or greater China distributor.                                        |
| Mar, 2010 | WPI Group, the subsidiary of WPG Holdings, acquired AIO Components Company Ltd. (AIO) through overseas dealing.                                                                                                                    |
| May, 2010 | Elected as the Best Overseas Authorized Distributor by ESMC, and rated as having The Best Supply Capability, The Best Logistic Support, and The Best Volume Flexibility.                                                           |
| Jun, 2010 | Re-elected as the No. 1 Electronics Distributor in APAC by EETimes, and ranked as the 3rd worldwide distributor.                                                                                                                   |
| Jun, 2010 | The Shareholders' Meeting resolved to pay out NT\$2 for cash dividend per share, and NT\$1.8 for stock dividend per share.                                                                                                         |
| Nov, 2010 | WPG acquired YOSUN Industrial Corp. (stock code: 2403) through share swap, Nov. 15 set as reference date.                                                                                                                          |

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Nov, 2010 | Celebrated WPG's 5th anniversary; set company vision "To Become the First Choice of Industry. To Become the Benchmark of Distribution."                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2010      | Appointed by Raontech, GigaDevice, INSIDE, Advanced Silicon, Redmere, NXP Semiconductors, OSRAM Opto Semiconductors, Synerchip, Sitronix, Epson, Infineon Technologies, Sanyo Semiconductors, Summit Microelectronics Inc., ST Ericsson, AMIC Technology Corporation, Silergy, AMS, Nutune, Trident, AcSip, HuaJie, Evolution, TT Electronics, Leadcore, Rockchip, Synic, Black Sand, ATLAB, SGMICR0, UBIQ, EPICOM, RAYDIUM, TAI-SAW, ALCOR, FUDATONG, PST, Wellypower, ABT, and ZILLTEK as distributor in APAC or greater China distributor. |
| May, 2011 | Re-elected as the No. 1 Electronics Distributor in APAC by EETimes, and ranked as the 3rd worldwide distributor.                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Jun, 2011 | The Shareholders' Meeting resolved to pay out NT\$2.1 for cash dividend per share, and NT\$0.9 for stock dividend per share                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2011      | Appointed by Quality, Energyled Corp., Phoenix, TTM, Marvell, SMSC, Mindspeed, TranSwitch, Vitesse, ICP, mCube, ARM, AzureWave, Citruscom, Domintech, ESMT, FuDaTong, InfoTM, JustPower, Kingston, Neotec, Novatek, Powervation, Quintic, and Winbond as distributor in APAC or greater China distributor.                                                                                                                                                                                                                                    |
| Mar, 2012 | WPG acquired AECO Technology Co., Ltd. (stock code: 6119) through share swap, with Mar. 1 as reference date.                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Apr, 2012 | Longview Technology Inc., subsidiary of WPG Holdings' subgroup WPI Group, acquired Long-Think group's electronics components business in greater China area in cash.                                                                                                                                                                                                                                                                                                                                                                          |
| May, 2012 | Re-elected as the No. 1 Electronics Distributor in APAC by EETimes, and ranked as the 3rd worldwide distributor.                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Jun, 2012 | The Shareholders' Meeting resolved to pay out NT\$ 2.6 for cash dividend per share.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 2012      | Newly or additionally appointed by Bridgelux, ADDA, Prolific, GigaDevice, Action, Hanergy, Sigma Designs, RFM, Eri, Metrodyne, ERP, TUL, PTC, Philips Lumiled, Siano, CHAMPION, CPT, IR, mCube, and Sinopower as a distributor in APAC or greater China distributor.                                                                                                                                                                                                                                                                          |
| May, 2013 | Elected into 2013 TOP 25 Global Electronics Component Distributors by EDN, and ranked as the 3rd worldwide distributor.                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Jun, 2013 | The Shareholders' Meeting resolved to pay out NT\$2.4 for cash dividend per share.                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Aug, 2013 | First took part in the evaluation of 2013 CSR Award by Commonwealth Magazine and ranked 27/50.                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2013      | Newly or additively appointed by Goodix, Touchstone, LITEON-SILI, T&T, ELAN, Silicon Line, Aptos, CellWise, Next Biometrics, Cyntec, Kingston, Merry, and Wolfson as a distributor in APAC or greater China distributor.                                                                                                                                                                                                                                                                                                                      |

|           |                                                                                                                                                                                                                                                                                                                     |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Jan, 2014 | BOD of WPG resolved the share swap transactions: World Peace Industrial Co., Ltd. in exchange for Aeco Technology Co., Yosun Industrial Corp. in exchange for RichPower Electronic Devices Co., Ltd., and Silicon Application Corp. in exchange for Pernas Electronics Co., Ltd.; Jan. 1 was set as reference date. |
| May, 2014 | The BOD resolved to issue domestic unsecured convertible bonds for the first time.                                                                                                                                                                                                                                  |
| Jul, 2014 | Ranked “A++” in the “Transparency and Information Disclosure” evaluation.                                                                                                                                                                                                                                           |
| Dec, 2014 | Elected as The Most Popular Authorized Distributor in the "2014 EEPW Editors’ Choice Award" evaluation                                                                                                                                                                                                              |
| 2014      | Newly appointed by O2 Micro, ISSC, Huntersun, Solteam, Fibocom, SEQUANS, VANCHIP, and OTUS as distributor.                                                                                                                                                                                                          |
| Mar, 2015 | WPG commenced tender offer for shares of Genuine C&C INC.                                                                                                                                                                                                                                                           |
| Apr, 2015 | Ranked “A++” in “Transparency and Information Disclosure” evaluation.                                                                                                                                                                                                                                               |
| Apr, 2015 | Ranked among the top 20% of TWSE listed and TPEx listed companies in the 1st Corporate Governance Evaluation.                                                                                                                                                                                                       |
| May, 2015 | Ranked the 1814th on the Forbes Global 2000.                                                                                                                                                                                                                                                                        |
| May, 2015 | Rated as one of the Top 10 Overseas Distributors by ESMC.                                                                                                                                                                                                                                                           |
| 2015      | Appointed by SANA, ISSC, Thine, TBPC, Akustica Inc., BRIGHTTEK, Panda, VANCHIP, High-Flying, Ambiq Beken, etc. as distributor/agent.                                                                                                                                                                                |
| Feb, 2016 | Moved to new office at 8F., No. 489, Sec. 2, Tiding Blvd., Neihu Dist., Taipei City.                                                                                                                                                                                                                                |
| Apr, 2016 | The BOD resolved to purchase the property used for office in the Jingmao Sec., Nangang Dist., Taipei City.                                                                                                                                                                                                          |
| Apr, 2016 | Awarded top 20% amongst all listed companies in the 2nd Corporate Governance Evaluation                                                                                                                                                                                                                             |
| Apr, 2016 | Ranked the 1735th in the Forbes Global 2000, and the 2nd place in the 2000 Survey Service Industry by CommonWealth Magazine                                                                                                                                                                                         |
| Jul, 2016 | Selected in TWSE Corporate Governance 100 Index.                                                                                                                                                                                                                                                                    |
| Oct, 2016 | Rated as one of the Top 10 Overseas Authorized Distributors by the ESMC.                                                                                                                                                                                                                                            |
| 2016      | Added the agent and distribution rights of VATICS, CT Micro, Skywalker, Seoul Semiconductor, BroadLink, UNEO, TELINK, AQUANTIA, Sharp, etc.                                                                                                                                                                         |
| Apr, 2017 | Ranked top 20% amongst all listed companies in the 3rd Corporate Governance Evaluation.                                                                                                                                                                                                                             |
| May, 2017 | Listed in the Forbes Global 2000, and ranked 2nd in the 2000 Survey Service Industry by CommonWealth Magazine.                                                                                                                                                                                                      |
| Oct, 2017 | Rated as one of the Top 10 Overseas Authorized Distributors by the ESMC.                                                                                                                                                                                                                                            |



|           |                                                                                                                                                                                                                                                                        |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2017      | Added the agent and distribution rights of Western, Accsip, JMicron, Microvision, PI, SILICONGEAR, UBIQ, Lumileds, TDK, Lattice, Nexperia, etc.                                                                                                                        |
| Apr, 2018 | Ranked between 6% to 20% of the listed companies in the 4th Corporate Governance Evaluation.                                                                                                                                                                           |
| May, 2018 | Ranked the 2nd in the 2000 Survey Service Industry by CommonWealth Magazine.                                                                                                                                                                                           |
| Jun, 2018 | Ranked the 1717th in the Forbes Global 2000.                                                                                                                                                                                                                           |
| Nov, 2018 | Rated as one of the Top 10 International Brand Distributors by the ESMC.                                                                                                                                                                                               |
| 2018      | Added the agent and distribution rights of Renesas, CPS, China Mobile, AMS, ASINK, TOSHIBA MEMORY, Giantec, Yangjie, tBPC, Intelligo, Fenghua, FingerTech, GOKE, Neoway, Socionext, Chilisn, NJRC, Navitas, etc.                                                       |
| Apr, 2019 | Ranked between 6% to 20% of the listed companies in the 5th Corporate Governance Evaluation.                                                                                                                                                                           |
| May, 2019 | Ranked the 2nd in the 2000 Survey Service Industry by CommonWealth Magazine.                                                                                                                                                                                           |
| May, 2019 | Ranked the 1741st in the Forbes Global 2000.                                                                                                                                                                                                                           |
| Nov, 2019 | Rated as one of Top 5 Technology Support Distributor, and the Top 10 International Brand Distributors by the ESMC.                                                                                                                                                     |
| 2019      | Appointed by NeuroMem, Thundercomm, V-Color, Maxeye, XTX, NCE, HPI, Genesys, HiSilicon, Broadcom, VARTA, etc. as distributor                                                                                                                                           |
| Apr, 2020 | Ranked between 6% to 20% of the listed companies in the 6th Corporate Governance Evaluation.                                                                                                                                                                           |
| May, 2020 | Ranked No.1822 on the Forbes Global 2000 List of the World's Top Listed Companies                                                                                                                                                                                      |
| May, 2020 | Ranked No. 2 of service industry on the Top 2000 Surveys and No. 12 of 50 largest groups in Common Wealth Magazine.                                                                                                                                                    |
| Jun, 2020 | Ranked No. 104 in the Top 1000 Surveys of Mainland China, Taiwan and Hong Kong in Common Wealth Magazine.                                                                                                                                                              |
| Nov, 2020 | Won the Outstanding International Brand Distributor of the Global Electronic Component Distributor Awards in Electronics Supply and Manufacturing-China (ESMC) Magazine.                                                                                               |
| Dec, 2020 | Nangang headquarter building established.                                                                                                                                                                                                                              |
| 2020      | Appointed by SGMICRO 、Neoway 、Southchip 、ESMT 、JoulWatt 、AMICCOM 、GPT 、NOVOSENSE 、Mobileye 、VCOM 、SGR 、Audiowise 、Vesper 、SIMCom 、Silergy 、MPS 、Dioo 、Baidu 、Artery 、TOUCHÉ 、SRO 、Phison 、Konsemi 、EEASY 、ACEINNA 、Nations 、awinic 、Radrock etc. as distributor/agent. |
| Jan, 2021 | Introduced Employee Stock Ownership Trust.                                                                                                                                                                                                                             |
| Apr, 2021 | Ranked between 21% to 35% of the listed companies in the 7th Corporate Governance Evaluation.                                                                                                                                                                          |

|           |                                                                                                                                                                                                                                                                |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| May, 2021 | Ranked No. 1760 on the Forbes Global 2000 List of the World's Top Listed Companies.                                                                                                                                                                            |
| May, 2021 | Ranked No. 1 of service industry on the Top 2000 Surveys in Commonwealth Magazine.                                                                                                                                                                             |
| Jun, 2021 | Ranked No. 101 in the Top 1000 Surveys of Cross-Strait and Three Places in Commonwealth Magazine.                                                                                                                                                              |
| Nov, 2021 | Won the Outstanding International Brand Distributor of the Global Electronic Component Distributor Awards in Electronics Supply and Manufacturing-China (ESMC) Magazine.                                                                                       |
| Nov, 2021 | Won the golden selection of AspenCore's three Major Electronic Component Distributor and Outstanding International Branded Distributor.                                                                                                                        |
| 2021      | Appointed by HorizonRobotics, LPS, MindMotion, Willsemi, uPI, Cambricon, Hoturnkey, Kneron, Bluetrum, VIIYONG, ASE, ALTOBEAM, BLUEX, DSPG, GreenWaves, IGNION, IPU, Mobvoi, MONTAGELZ, PNJ, SCY, VANCHIP, WINNER MICRO etc. as distributor/agent.              |
| Apr, 2022 | Ranked between 6% to 20% of the listed companies in the 8th Corporate Governance Evaluation.                                                                                                                                                                   |
| May, 2022 | Obtained MSCI ESG rating upgraded to BBB.                                                                                                                                                                                                                      |
| May, 2022 | Ranked 1676 among the world's top 2000 companies in Forbes magazine.                                                                                                                                                                                           |
| May, 2022 | Ranked No. 2 of prosperous 100 semiconductor enterprises in Commonwealth Magazine.                                                                                                                                                                             |
| May, 2022 | Ranked No. 1 of service industry on the Top 2000 Surveys in Commonwealth Magazine.                                                                                                                                                                             |
| May, 2022 | Ranked No. 934 in the Top 1000 Surveys of Cross-Strait and Three Places in Business Today.                                                                                                                                                                     |
| Nov, 2022 | Won the Outstanding International Brand Distributor of the Global Electronic Component Distributor Awards in Electronics Supply and Manufacturing-China (ESMC) Magazine.                                                                                       |
| Nov, 2022 | Won the Corporate Comprehensive Performance Category – 100 Sustainability Model Enterprise Award, Sustainability Report Category – Service Industries Category I Gold Award, at the 15 <sup>th</sup> TCOSA (Taiwan Corporate Sustainability Awards ) Ceremony. |
| Dec, 2022 | Award as one of AspenCore's Top Aisa 3 Electronic Components Distributors.                                                                                                                                                                                     |

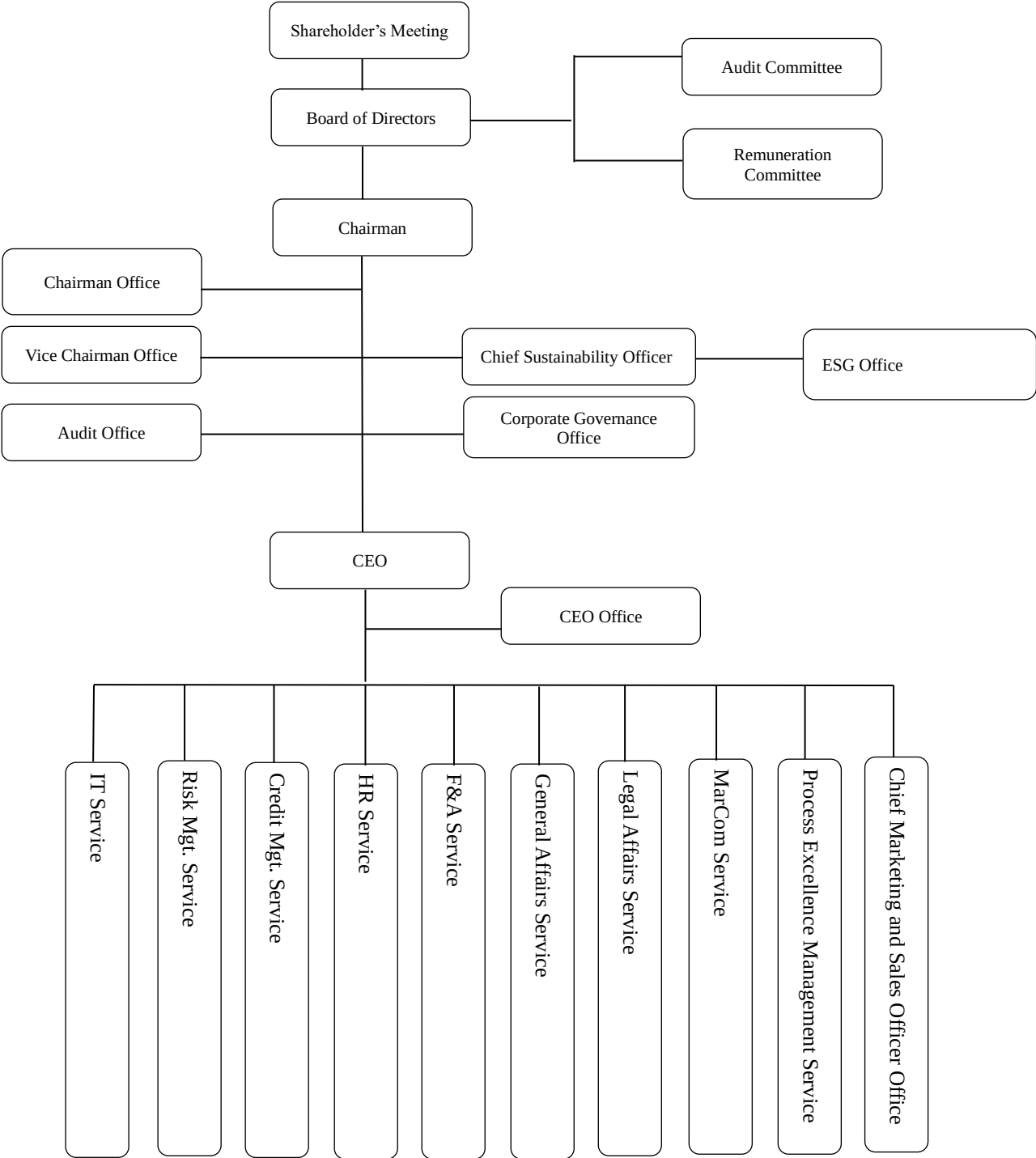
|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2022      | WPG added the Company's group one after another like EPC 、Hailo 、Innoscience 、SMARTSENS 、SYNAPTICS 、AAC 、STARMEMS 、Solidigm 、HME 、Power Forest 、AcSiP 、Runic 、BASiC 、Fudan 、Hynetek 、MDT 、Sirius 、SemiDrive 、NCEPOWER 、Novosense 、SG Micro 、Raspberry Pi 、BOLB Inc. 、SPARK Microsystems 、Fitipower 、Gowin Semiconductor 、IST AG 、Innoscience 、Hikstorage 、Alliance Memory 、ATS 、Southchip 、Spark Microsystems as agents with distribution rights. |
| Apr, 2023 | Ranked the top 5% of the listed companies in the 9th Corporate Governance Evaluation.                                                                                                                                                                                                                                                                                                                                                             |

### 3. Corporate Governance Report

#### Organization

##### 3.1.1 Organization Chart

April, 2 ,2023



### 3.1.2 Major Corporate Functions

WPG Holdings is operated in cooperation with WPI Group, SAC Group, AIT Group, and YOSUN Group, and its business is characterized by cross-group, cross-region, and cross-company.

The framework of WPG is organized to meet the needs of the ever-changing markets. In order to fulfill the shared vision of “To Become the First Choice of Industry. To Become the Benchmark of Distribution.”, WPG focuses on establishing management mechanisms and supervision for its affiliated subgroups and subsidiaries; highlighting back-end management effectiveness and front-end coordination through sharing/integral resource platform in order to enhance front-end effectiveness; and specializing in the capital market, investor relations, and financing.

(1) Audit Office

Responsible for conducting audits for the effectiveness of internal regulations and institutional implementation for WPG and making recommendations for improvement based on the results.

(2) F&A Service

Responsible for matters related to finance and accounting, investment management for WPG, as well as managing investor relations; responsible for the management, guidance, and supervision of each group’s corresponding function. CFO also serves as the Company’s Spokesperson.

(3) IT service

Responsible for information management strategy, as well as planning of information management policy, optimization, and integration of information platform; responsible management, guidance, and supervision of each group’s corresponding function.

(4) HR service

Responsible for matters related to human resources for WPG; responsible for the management, guidance, and supervision of each group’s corresponding function.

(5) MarCom Service

Responsible for maintaining brand image, as well as planning, implementing, and supervising of e-marketing platform for WPG; responsible for the management, guidance, and supervision of each group’s corresponding function.

(6) Legal Affairs Service

Responsible for legal affairs of WPG; responsible for the management, guidance, and supervision of each groups’ corresponding function.

(7) Credit Mgt. Service

Responsible for credit management affairs of WPG Holdings; responsible for the management, guidance, and supervision of each groups’ corresponding function.

(8) Risk Management Service Office

Responsible for risk and crisis management mechanisms establishment, various risk

management operations, as well as risk and crisis management awareness promotion.

(9) General Administration Service Office

Responsible for WPG Holdings' general and administrative affairs; responsible for the management, guidance and supervision of each groups' corresponding function.

(10) Process Excellence Management Service

Responsible for optimization of WPG business management mechanisms, intelligent operation performance management, and operating procedures quality to improve overall operation management effectiveness and efficiency.

(11) Chief Marketing and Sales Officer Office

Responsible for assisting internal communication between each Group and establishing resource sharing and collaboration platform to serve customers, strengthen production lines, and enhance trade compliance management mechanism. Externally, CMSO Office is responsible for improving user experience through WPG DADAWANT platform's automation and subscription-based innovative services.

(12) ESG Office

Responsible for strengthening WPG Holdings' sustainable competitiveness through planning and promoting sustainable development matters, tracking the implementation effectiveness, and establishing continuous improvement plan.

3.2 Directors, Supervisors, President, Vice Presidents, Directors, and Division/Department/Affiliates Heads (including Remuneration paid to Directors, Supervisors, and Management Team)

3.2.1 Information regarding Directors and Supervisors

(1) Information regarding Directors and Supervisors

April 02, 2023

| Title            | Nationality/<br>Place of<br>registration | Name        | Gender                     | Date Elected | Term<br>(years) | Date First Elected | Shareholding When<br>Elected |      | Current Shareholding |      | Spouse & Minor<br>Shareholding |      | Shareholding by<br>nominees |   | Education and<br>Selected Past<br>Positions                                                                                                   | Selected Current<br>Positions at the<br>Company and Other<br>Companies                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Managers Who are<br>Spouses or within<br>Second-degree<br>Relative of<br>Consanguinity to Each<br>Other |      |          | Remarks |
|------------------|------------------------------------------|-------------|----------------------------|--------------|-----------------|--------------------|------------------------------|------|----------------------|------|--------------------------------|------|-----------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------|----------|---------|
|                  |                                          |             |                            |              |                 |                    | Common Shares                | %    | Common Shares        | %    | Common Shares                  | %    | Common Shares               | % |                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                         |      |          |         |
|                  |                                          |             |                            |              |                 |                    | Preferred Shares             | %    | Preferred Shares     | %    | Preferred Shares               | %    | Preferred<br>Shares         | % |                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Title                                                                                                   | Name | Relation |         |
| Chairman         | Republic of<br>China                     | Simon Huang | Male<br>50~70<br>years old | 06/24/2020   | 3 years         | 06/14/2005         | 41,411,507                   | 2.47 | 41,411,507           | 2.47 | 10,523,167                     | 0.63 | —                           | — | Department of<br>Engineering Science,<br>National Cheng-<br>Kung University;<br>Cofounder and<br>Chairman, WPI<br>Group                       | Chairman & Director,<br>WPG Holdings<br>Affiliated Ventures;<br>Chairman, Trigold<br>Holdings Limited;<br>Director (Legal<br>Representative), T3EX<br>Global Holdings Corp.<br>Director, Phoenix<br>Innovation and<br>Entrepreneurship<br>Investment Inc.<br>Chairman, Taiwan<br>Listed Companies<br>Association<br>Vice Chairman, Taiwan<br>Listed Companies<br>Association<br>Supervisor, SINOCON<br>Industrial Standards<br>Foundation<br>Executive Director,<br>Taipei Electronic<br>Components Suppliers'<br>Association (TECSA) | —                                                                                                       | —    | —        |         |
|                  |                                          |             |                            |              |                 |                    | —                            | —    | —                    | —    | —                              | —    | —                           | — |                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                         |      |          |         |
| Vice<br>Chairman | Republic of<br>China                     | Frank Yeh   | Male<br>50~70<br>years old | 06/24/2020   | 3 years         | 06/18/2014         | 1,196,537                    | 0.07 | 1,196,537            | 0.07 | —                              | —    | —                           | — | Department of<br>Electronics<br>Engineering, Feng<br>Chia University;<br>President, Arrow<br>Electronics, Inc.;<br>CEO, WPG<br>Holdings Ltd.; | Director, WPG Holdings<br>Affiliated Ventures;<br>Independent Director,<br>BenQ Materials Corp.<br>Independent<br>Director, Senao<br>International Co., Ltd.                                                                                                                                                                                                                                                                                                                                                                          | —                                                                                                       | —    | —        |         |
|                  |                                          |             |                            |              |                 |                    | 113,000                      | 0.06 | 113,000              | 0.06 | —                              | —    | —                           | — |                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                         |      |          |         |

| Title    | Nationality/<br>Place of<br>registration | Name       | Gender                          | Date Elected | Term<br>(years) | Date First Elected | Shareholding When<br>Elected |      | Current Shareholding |      | Spouse & Minor<br>Shareholding |      | Shareholding by<br>nominees |      | Education and<br>Selected Past<br>Positions                                                                                                                                                                                                                                                               | Selected Current<br>Positions at the<br>Company and Other<br>Companies                                                                                                                                                                                                                                                                                                                                                                           | Managers Who are<br>Spouses or within<br>Second-degree<br>Relative of<br>Consanguinity to Each<br>Other |      |          | Remarks |
|----------|------------------------------------------|------------|---------------------------------|--------------|-----------------|--------------------|------------------------------|------|----------------------|------|--------------------------------|------|-----------------------------|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------|----------|---------|
|          |                                          |            |                                 |              |                 |                    | Common Shares                | %    | Common Shares        | %    | Common Shares                  | %    | Common Shares               | %    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                         |      |          |         |
|          |                                          |            |                                 |              |                 |                    | Preferred Shares             | %    | Preferred Shares     | %    | Preferred Shares               | %    | Preferred<br>Shares         | %    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Title                                                                                                   | Name | Relation |         |
| Director | Republic of<br>China                     | K.D. Tseng | Male<br>Over 70<br>years<br>old | 06/24/2020   | 3 years         | 06/22/2011         | 9,654,480                    | 0.57 | 9,654,480            | 0.57 | 19,053,200                     | 1.13 | —                           | —    | Department of<br>Electronics<br>Engineering,<br>National Taiwan<br>Ocean University;<br>Founder and<br>Chairman, Yosun<br>Industrial Corp.                                                                                                                                                                | Chairman & Director,<br>WPG Holdings Affiliated<br>Ventures;<br>Director, Trigold Holdings<br>Limited;<br>Director (Corporate<br>Representative), Qleap<br>Accelerators Limited;<br>Director (Corporate<br>Representative), Ability I<br>Venture Captial<br>Corporation.;<br>Chairman, Management<br>Intelligence Sharing<br>Association (MISA)<br>Representative Director,<br>Taipei Electronic<br>Components Suppliers'<br>Association (TECSA) | —                                                                                                       | —    | —        |         |
|          |                                          |            |                                 |              |                 |                    | —                            | —    | —                    | —    | —                              | —    | —                           | —    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                         |      |          |         |
| Director | Republic of<br>China                     | Mike Chang | Male<br>50~70<br>years old      | 06/24/2020   | 3 years         | 06/14/2005         | 25,112,020                   | 1.50 | 12,612,020           | 0.75 | 582,148                        | 0.03 | 16,258,000                  | 0.97 | Department of<br>Electrical<br>Engineering,<br>National Taipei<br>Institute of<br>Technology<br>(Department of<br>Electrical<br>Engineering,<br>National Taipei<br>University of<br>Technology);<br>President (Far East<br>Dist.) TXC<br>Corporation;<br>President, WPG<br>Holdings Affiliated<br>Venture | Chairman & Director,<br>WPG Holdings<br>Affiliated Venture;<br>Supervisor, Taipei<br>Electronic Components<br>Suppliers' Association<br>(TECSA)                                                                                                                                                                                                                                                                                                  | —                                                                                                       | —    | —        |         |
|          |                                          |            |                                 |              |                 |                    | —                            | —    | —                    | —    | —                              | —    | —                           | —    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                         |      |          |         |
| Director | Republic of<br>China                     | T.L. Lin   | Male<br>50~70<br>years old      | 06/24/2020   | 3 years         | 06/14/2005         | 19,195,570                   | 1.14 | 15,195,570           | 0.91 | 17,108,688                     | 1.02 | —                           | —    | Department of<br>Electrical<br>Engineering,<br>National Taipei<br>Institute of<br>Technology<br>(Department of<br>Electrical<br>Engineering,<br>National Taipei<br>University of<br>Technology);<br>Cofounder, World<br>Peace Industrial Co.,<br>Ltd.                                                     | Director, Trigold<br>Holdings Limited;<br>Director, Fantasy Story<br>Inc.<br>Director, M2<br>COMMUNICATION<br>INC.<br>Director, H Bank<br>Biopharma Corp.<br>Director,H Bank<br>Technology Inc.<br>Executive Director,<br>Taipei Electronic<br>Components Suppliers'<br>Association (TECSA)                                                                                                                                                      | —                                                                                                       | —    | —        |         |
|          |                                          |            |                                 |              |                 |                    | —                            | —    | —                    | —    | 1,000,000                      | 0.50 | —                           | —    |                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                         |      |          |         |



| Title                   | Nationality/<br>Place of<br>registration | Name                                 | Gender                     | Date Elected | Term<br>(years) | Date First Elected | Shareholding When<br>Elected |      | Current Shareholding |      | Spouse & Minor<br>Shareholding |   | Shareholding by<br>nominees |                                                                                                                 | Education and<br>Selected Past<br>Positions                                                                                                                                                                                                                                                                                                                       | Selected Current<br>Positions at the<br>Company and Other<br>Companies                                                                                                                                                                                                                                                                                       | Managers Who are<br>Spouses or within<br>Second-degree<br>Relative of<br>Consanguinity to Each<br>Other |      |          | Remarks |
|-------------------------|------------------------------------------|--------------------------------------|----------------------------|--------------|-----------------|--------------------|------------------------------|------|----------------------|------|--------------------------------|---|-----------------------------|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------|----------|---------|
|                         |                                          |                                      |                            |              |                 |                    | Common Shares                | %    | Common Shares        | %    | Common Shares                  | % | Common Shares               | %                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                              | Title                                                                                                   | Name | Relation |         |
|                         |                                          |                                      |                            |              |                 |                    | Preferred Shares             | %    | Preferred Shares     | %    | Preferred Shares               | % | Preferred<br>Shares         | %                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                              |                                                                                                         |      |          |         |
| Director                | Republic of<br>China                     | K.Y. Chen                            | Male<br>50~70<br>years old | 06/24/2020   | 3 years         | 06/14/2005         | 4,614,658                    | 0.27 | 4,614,658            | 0.27 | —                              | — | —                           | —                                                                                                               | Department of<br>Electronic Physics,<br>National Chiao-Tung<br>University;<br>Founder and<br>Chairman, Silicon<br>Application<br>Corporation                                                                                                                                                                                                                      | Chairman & Director,<br>WPG Holdings<br>Affiliated Ventures;<br>Director, Trigold<br>Holdings Limited;<br>Director, Chiayang<br>Biotech Inc.<br>Director, Dazzeon<br>Biotech Co.,Ltd.<br>Director, LeadSun New<br>Star Corp.<br>Director, Taipei<br>Electronic Components<br>Suppliers' Association<br>(TECSA)                                               | —                                                                                                       | —    | —        |         |
|                         |                                          |                                      |                            |              |                 |                    | 561,738                      | 0.28 | 561,738              | 0.28 | —                              | — | —                           | —                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                              |                                                                                                         |      |          |         |
| Director                | Republic of<br>China                     | Fullerton<br>Technology<br>Co., Ltd. | Male<br>50~70<br>years old | 06/24/2020   | 3 years         | 06/14/2005         | 34,421,074                   | 2.05 | 31,421,074           | 1.87 | —                              | — | —                           | —                                                                                                               | Department of<br>Electronics, Feng<br>Chia University;<br>Chairman,<br>RichPower<br>Electronic Devices<br>Co., Ltd.                                                                                                                                                                                                                                               | Chairman & President,<br>Fullerton Technology<br>Co., Ltd.;Director<br>(Corporate<br>Representative),<br><br>Imagemore Co., Ltd.;<br>Chairman (Corporate<br>Representative),<br><br>British Cayman Islands<br>Business<br>CloudMile;Director<br>(Corporate<br>Representative),<br><br>Spire Technology<br>Limited;<br>Director (Corporate<br>Representative) | —                                                                                                       | —    | —        |         |
|                         |                                          |                                      |                            |              |                 |                    | 2,000,000                    | 1.00 | 2,000,000            | 1.00 | —                              | — | —                           | —                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                              |                                                                                                         |      |          |         |
|                         |                                          | Richard Wu,<br>Representative        |                            |              |                 | 07/20/2016         | 35,166                       | 0.00 | 35,166               | 0.00 | —                              | — | —                           | —                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                              |                                                                                                         |      |          |         |
|                         |                                          |                                      |                            |              |                 |                    | —                            | —    | —                    | —    | —                              | — | —                           | —                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                              |                                                                                                         |      |          |         |
| Independent<br>Director | Republic of<br>China                     | Jack J.T.<br>Huang                   | Male<br>50~70<br>years old | 06/24/2020   | 3 years         | 06/25/2008         | —                            | —    | —                    | —    | —                              | — | —                           | S.J.D., Harvard<br>University;<br>LL.M.,<br>Northwestern<br>University;<br>LL.B., National<br>Taiwan University | Founder & Chairman,<br>Taiwan Renaissance<br>Platform;<br>Special Adviser, Tai<br>Yuen Textile Co., Ltd.;<br>Independent Director,<br>Taiwan Mobile Co., Ltd.<br>Independent Director,<br>SYSTEX Corporation;<br>Independent Director,<br>CTCI Corporation;<br>Representative Director,<br>Yulon Motor Co., Ltd.;<br>Representative Director,<br>Taiwania Capital | —                                                                                                                                                                                                                                                                                                                                                            | —                                                                                                       | —    |          |         |
|                         |                                          |                                      |                            |              |                 |                    | —                            | —    | —                    | —    | —                              | — | —                           |                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                              |                                                                                                         |      |          | —       |

| Title                   | Nationality/<br>Place of<br>registration | Name         | Gender                        | Date Elected | Term<br>(years)            | Date First Elected | Shareholding When<br>Elected |   | Current Shareholding |   | Spouse & Minor<br>Shareholding |   | Shareholding by<br>nominees |   | Education and<br>Selected Past<br>Positions                                                                                                                                                                                                                                                                                                                                                      | Selected Current<br>Positions at the<br>Company and Other<br>Companies                                                                                                                                                                            | Managers Who are<br>Spouses or within<br>Second-degree<br>Relative of<br>Consanguinity to Each<br>Other |      |          | Remarks |
|-------------------------|------------------------------------------|--------------|-------------------------------|--------------|----------------------------|--------------------|------------------------------|---|----------------------|---|--------------------------------|---|-----------------------------|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------|----------|---------|
|                         |                                          |              |                               |              |                            |                    | Common Shares                | % | Common Shares        | % | Common Shares                  | % | Common Shares               | % |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                   |                                                                                                         |      |          |         |
|                         |                                          |              |                               |              |                            |                    | Preferred Shares             | % | Preferred Shares     | % | Preferred Shares               | % | Preferred<br>Shares         | % |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                   | Title                                                                                                   | Name | Relation |         |
| Independent<br>Director | Republic of<br>China                     | Charles Chen | Male<br>Over 70<br>years old  | 06/24/2020   | 3 years                    | 06/24/2020         | —                            | — | —                    | — | —                              | — | —                           | — | Master of<br>Accounting,<br>SooChow University;<br>CPA of<br>PricewaterhouseCoopers Taiwan                                                                                                                                                                                                                                                                                                       | Director, Prime Oil<br>Chemical Service<br>Corporation;<br>Independent Director,<br>China Television<br>Company, Ltd.;<br>Vice-President of United<br>Way of Taiwan                                                                               | —                                                                                                       | —    | —        |         |
|                         |                                          |              |                               |              |                            |                    | —                            | — | —                    | — | —                              | — | —                           | — |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                   | —                                                                                                       | —    | —        |         |
| Independent<br>Director | Singapore                                | Weiru Chen   | Male<br>50~70<br>years<br>old | 06/24/2020   | 3 years                    | 06/24/2020         |                              |   |                      |   |                                |   |                             |   | Ph.D. of Strategic<br>Management,<br>Purdue University;<br>Master of Business<br>Administration,<br>Tamkang University;<br>Bachelor of Business<br>Administration,<br>National Taiwan<br>University;<br>Associate Professor<br>of China Europe<br>International<br>Business School.                                                                                                              | TAL Education Group<br>(NYSE: TAL)<br>Independent Director<br>Dian Diagnostics Group<br>(SHE: 300244)<br>Independent Director<br>Country Garden<br>Services Holdings<br>Company Limited<br>(SEHK: 6098)<br>Independent Non-<br>executive Director |                                                                                                         |      |          |         |
| Independent<br>Director | Republic of<br>China                     | Kathy Yang   | Female<br>50~70<br>years old  | 08/03/2021   | 1 year<br>and 10<br>months | 08/03/2021         | 50,251                       | — | 50,251               | — | —                              | — | —                           | — | MBA from Kansas<br>State University;<br>Business Association<br>Executive Program,<br>National Chengchi<br>University;<br>Bachelor of Business<br>Administration,<br>National Chengchi<br>University;<br>Senior Deputy<br>General<br>Manager, CDIB<br>Capital Group;<br>General Manager,<br>CDIB Venture<br>Capital Corporation;<br>General Manager<br>CDIB Capital<br>Management<br>Corporation | Sinopower<br>Semiconductor Inc.;<br>Independent Director,<br>Innodisk International<br>Co., Ltd.<br>Director, Young Shine<br>Electric Co., Ltd.                                                                                                   | —                                                                                                       | —    | —        |         |
|                         |                                          |              |                               |              |                            |                    | —                            | — | —                    | — | —                              | — | —                           | — |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                   |                                                                                                         |      |          |         |

Table 1: Major Shareholder of WPG’s Director or Supervisor that is an Institutional Shareholder

April 22, 2023

| Name of Institutional Shareholder | Major Shareholders of the Corporate Director                                                                                                                                                                                                                                                                                                                                                         | Shareholding (%) |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Fullerton Technology Co., Ltd.    | Mei-Chi Liao (3.28%), HannsTouch Solution Incorporated (3.26%) Ru-Kai Lai (3.12%), Richard Wu (3.10%), Shu-Qing Ou (2.01%), CTBC Bank Trustee Account of Richard Wu (1.73%), Yen-Hung Liu (1.67%), Yen-Pei Liu (1.67%), Standard Chartered International Commercial Bank Business Department Trustee Account of SPDR (R) Index Fund, SPDR portfolio Emerging Market (1.59%), Jing-Hong Zheng(1.59%), | 23.02            |

Table 2: The shareholder of WPG’s Major Shareholder is an institutional shareholder.

April 22, 2023

| Name of Institutional Shareholder | Major Shareholders of the Corporate Director                                                                                                                                                                                                                                                                                                                                                                                                              | Shareholding (%) |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| HannsTouch Solution Incorporated  | HannStar Display Corporation(26.60%), Huali Investment Co., Ltd.(7.37%), Tengda investment Co., Ltd.(2.23%), You-Qi Jiao(1.33%), Chase Bank in Custody for Vanguard Emerging Markets Stock Index Fund(0.87%), JP Morgan in Custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds(0.84%), Wei-Xin Ma(0.75%), Citibank in Custody for Norges Bank Investment Fund (0.67%), Qing-Nan Weng (0.58%), Gao-Lin Huang(0.56%) | 41.80            |

(2) Disclosure of Information regarding the Professional Qualifications of Directors and the Independence of Independent Directors

I. Professional qualifications and experience of directors

| Name\Qualification                                                     | Professional qualifications and experience                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Independence Status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | The number of other IPO companies served as the independent director |
|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Simon Huang<br>Chairman                                                | Mr. Simon Huang is currently the Chairman of WPG Holdings Limited. He also acts as Director of the Taipei Electronic Components Suppliers' Association (TECSA). Mr. Huang holds a Bachelor's degree in Engineering Science from National Cheng-Kung University and has over 30 years of experience in the electronic components industry.                                                                                                                                                                                                                                                                                                                                                                        | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 0                                                                    |
| Frank Yeh<br>Vice Chairman                                             | Mr. Frank Yeh is currently the Vice Chairman of WPG Holdings Limited. Mr. Yeh has over 30 years of experience in the electronic components industry and previously served as General Manager at Arrow Electronics. Mr. Yeh holds a Bachelor's degree in Electrical Engineering from Feng Chia University and has over 30 years of experience in the electronic components industry.                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 2                                                                    |
| K.D. Tseng<br>Director                                                 | Mr. K.D. Tseng currently serves as Chairman of Yosun Industrial Corp., holding a concurrent position as Representative Director of Taipei Electronic Components Suppliers' Association (TECSA) and Management Intelligence Sharing Association (MISA). Mr. Tseng used to serve at Arrow Strong Electronics Co. Ltd. Mr. Tseng holds a Bachelor's degree in Electrical Engineering from National Taiwan Ocean University and has over 30 years of experience in the electronic components industry.                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 0                                                                    |
| Mike Chang<br>Director                                                 | Mr. Mike Chang is currently the CEO of WPG Holdings Limited and the Chairman of WPG Holdings subsidiary WPI Group. He also acts as Director of the Taipei Electronic Components Suppliers' Association (TECSA). Mr. Chang has over 30 years of experience in the electronic components industry and previously served executive positions at Texas Instruments and TXC Corporations. Mr. Chang holds a Bachelor's degree in Electrical Engineering from the National Taipei University of Technology.                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 0                                                                    |
| T.L. Lin<br>Director                                                   | Mr. T.L. Lin currently serves as Director of WPG Holdings affiliated venture. He also acts as Director of the Taipei Electronic Components Suppliers' Association (TECSA). Mr. Lin holds a Bachelor's degree in Electrical Engineering from the National Taipei University of Technology and has over 30 years of experience in the electronic components industry.                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1                                                                    |
| K.Y. Chen<br>Director                                                  | Mr. K.Y. Chen is currently the Chairman of WPG Holdings subsidiary SAC Group. He also acts as Supervisor of the Taipei Electronic Components Suppliers' Association (TECSA). Mr. Chen has over 30 years of experience in the electronic components industry and has served in the Electronics and Optoelectronics Research Laboratories (EOL) of the Industrial Technology Research Institute. Mr. K.Y. Chen holds a Bachelor's degree in Electro physics from National Chiao-Tung University.                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 0                                                                    |
| Fullerton Technology Co., Ltd. Representative : Richard Wu<br>Director | Mr. Richard Wu is currently the Chairman and CEO of Fullerton Technology. Mr. Wu holds a Bachelor's degree in Electrical Engineering from Feng Chia University.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 0                                                                    |
| Jack J.T. Huang<br>Independent Director                                | Mr. Jack J.T. Huang is the founder and Chairman of Taiwan Renaissance Platform, and special advisor of Yulon Group CEO and Tai Yuen Textile Co., Ltd. Chairman. Mr. Huang is a R.O.C. attorney and practiced law in Hong Kong, New York, and Taipei for many years. He is also a member of the Taipei Bar Association, American Bar Association, and New York City Bar Association. His professional expertise encompasses various international investments, mergers, and acquisitions, joint ventures, etc. Mr. Huang graduated from National Taiwan University (LL.B.), Northwestern University (LL.M.), and Harvard University (S.J.D.), and has over 5 years of work experience and attorney qualification. | <p>Excerpts of key points in accordance with Article 14-2 of the Securities and Exchange Act and the " Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies " regarding independence are as follows:</p> <ol style="list-style-type: none"> <li>Whether myself, spouse, or relatives within the second degree are serving as directors, supervisors, or employees of the Company or its affiliated enterprises: No.</li> <li>The number and proportion of company shares held by myself, spouse, or relatives within the second degree (or using others' names): Please refer to the "Director Information Table" in the annual report (p.17-18).</li> <li>Whether serving as directors, supervisors, or employees of companies with specific relationships to the Company: No.</li> <li>Amount of remuneration received in the past two years for providing business, legal, financial, accounting, or other services to the Company or its affiliated enterprises: 0</li> </ol> | 2                                                                    |
| Charles Chen<br>Independent Director                                   | Mr. Charles Chen currently serves as Director at Prime Oil Chemical Service Corporation and Vice President at United Way of Taiwan. Previously, Mr. Chen served as Vice Director of PricewaterhouseCoopers Taiwan, Chairman of Wei Chuan Foods Corporation. Mr. Chen is a Certified Public Accountant of R.O.C., and holds Master's degree in Accounting from Soochow University. Mr. Chen has over 5 years of work experience and CPA qualification.                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1                                                                    |
| Weiru Chen<br>Independent Director                                     | Mr. Weiru Chen is currently a Director at Alibaba Business School Industry Network Center and previously served as Chief Strategy Officer of Zhejiang Cuisine Bird Supply Chain Management Co., Ltd. Mr. Chen holds a Ph.D. degree in Strategic Management from Purdue University and has over 5 years of work experience.                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 0                                                                    |
| Kathy Yang<br>Independent Director                                     | Ms. Kai Charn Yang currently serves as Independent Director at Sinopower Semiconductor Inc. & Innodisk Corporation. Previously, Ms. Yang served as Executive Vice President of CDIB Capital Group and led the venture capital and industry investment department. She was also the General Manager at CDIB Capital Management Corporation and CDIB Venture Capital Corporation. Ms. Yang holds Master's degree in Business Management from Kansas State University and has over 5 years of work experience.                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 2                                                                    |

Note: All directors have not been involved in any of the circumstances specified in Article 30 of the Company Act.

(3) Diversity and Independence of the Board of Directors :

I. Diversity of the Board of Directors

In accordance with the Company's Articles of Association, the Rules for Election of Directors, and Corporate Governance Best Practice Principles, candidate nomination system is adopted to elect Board of Directors in a fair, just, and open procedure. The "Rules for Election of Directors" is stipulated and board diversity policy is specified in "Corporate Governance Best Practice Principles". Based on the Company's business operations, operating dynamics, and development needs, the criteria of the professional background, professional skills, industry experience, gender, age, nationality, etc. which the directors should possess is stipulated and includes, but not limited to, the following two general standards:

- i. Basic criteria and values: gender, race, age, nationality, and culture, etc.
- ii. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, technology, information security, risk management, corporate governance/legal compliance, environmental sustainability, corporate social responsibility, and human rights protection), professional skills, and industry experience, etc.

All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. To achieve the ideal goal of corporate governance, the board of directors shall possess the following abilities:

- i. Ability to make operational judgments.
- ii. Ability to perform accounting and financial analysis.
- iii. Ability to conduct management administration.
- iv. Ability to conduct crisis management.
- v. Knowledge of the industry.
- vi. An international market perspective.
- vii. Ability to lead.
- viii. Ability to make policy decisions.

At the general meeting of shareholders on June 24, 2020, WPG Holdings elected the sixth Board of Directors for a term of 3 years from 2020/6/24 to 2023/6/23. The sixth term Board of Directors consists of 11 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market mindset. Among the Board, 2 members are concurrent employees (including appointed manager) (18% of the Board), and 4 members are independent directors (36% of the Board). There is currently 1 female director (achieved the target of at least 1; 9% of the Board). In terms of age, 3 members are over 70 years old, while the remaining 8 members are in the age group of 50-70 years old. There are 3 independent directors with tenure of less than 3 years, and 1 independent director with tenure of more than 9 years; They give their expertises in law and business mergers and acquisitions, and are good at related law practice and business management. Thus, forward-looking and impartial important suggestions can be provided for the Company's operation and development so are advice and supervision given to the Functional Committees under the Board of Directors. Our governance mechanism will therefore be more comprehensive that causes experience inheritance well going. It is positively helpful to create the overall interests and keep our sustainable rating (ESG Rating) rising to a leading position among global semiconductor component distributors Mr. Huang still act as our independent director The directors' industry experience/ professional distribution are as follows:

| Name of Director                                           | Nationality       | Gender | Age            |                  | Term of Independent Director |              | Business Management | Decision-Making | Industrial Knowledge | Finance and Accounting | Law | Human Resource | Risk Management | Global Market Mindset | Investment Management |
|------------------------------------------------------------|-------------------|--------|----------------|------------------|------------------------------|--------------|---------------------|-----------------|----------------------|------------------------|-----|----------------|-----------------|-----------------------|-----------------------|
|                                                            |                   |        | 50-70 year-old | Over 70-year-old | Under 9 years                | Over 9 years |                     |                 |                      |                        |     |                |                 |                       |                       |
| Simon Huang                                                | Republic of China | Male   | ✓              |                  |                              |              | ✓                   | ✓               |                      | ✓                      |     |                |                 |                       | ✓                     |
| Frank Yeh                                                  | Republic of China | Male   | ✓              |                  |                              |              | ✓                   | ✓               | ✓                    |                        |     | ✓              | ✓               | ✓                     |                       |
| K.D. Tseng                                                 | Republic of China | Male   |                | ✓                |                              |              | ✓                   | ✓               | ✓                    | ✓                      |     |                | ✓               |                       | ✓                     |
| Mike Chang                                                 | Republic of China | Male   | ✓              |                  |                              |              | ✓                   | ✓               | ✓                    |                        |     | ✓              |                 | ✓                     |                       |
| T.L. Lin                                                   | Republic of China | Male   | ✓              |                  |                              |              | ✓                   | ✓               | ✓                    | ✓                      |     |                | ✓               |                       | ✓                     |
| K.Y. Chen                                                  | Republic of China | Male   | ✓              |                  |                              |              | ✓                   | ✓               | ✓                    |                        |     | ✓              |                 | ✓                     | ✓                     |
| Fullerton Technology Co., Ltd. Representative : Richard Wu | Republic of China | Male   | ✓              |                  |                              |              | ✓                   | ✓               | ✓                    |                        |     |                | ✓               | ✓                     | ✓                     |
| Jack J.T. Huang                                            | Republic of China | Male   |                | ✓                |                              | ✓            | ✓                   | ✓               | ✓                    | ✓                      | ✓   |                | ✓               | ✓                     |                       |
| Charles Chen                                               | Republic of China | Male   |                | ✓                | ✓                            |              | ✓                   | ✓               |                      | ✓                      |     | ✓              | ✓               |                       |                       |
| Weiru Chen                                                 | Singapore         | Male   | ✓              |                  | ✓                            |              | ✓                   |                 | ✓                    |                        |     | ✓              |                 | ✓                     |                       |
| Kathy Yang                                                 | Republic of China | Female | ✓              |                  | ✓                            |              | ✓                   |                 | ✓                    | ✓                      |     |                |                 | ✓                     | ✓                     |

## II. Independence of the Board of Directors

The sixth term Board of Directors consists of 11 members including 4 Independent Directors, (approximately 36.36%) of the Board. All directors comply with the provisions of Article 26-3 of the Securities and Exchange Act, Items 3 and 4. There is no spousal relationship or familial relationship within the second degree of kinship among the directors.



## 3.2.2 Information regarding President, Vice Presidents, Directors, and Division/Department/Affiliates Heads

April 02, 2023

| Title                                                                | Nationality       | Name        | Gender | On-board Date | Shareholding     |      | Spouse/Minor Shareholding |      | Shareholding by Nominee Arrangement |      | Education and Selected Past Positions                                                                                                                                                                                                                            | Selected Current Positions at the Company and Other Companies | Managers Who are Spouses or within |      |          | Remarks |
|----------------------------------------------------------------------|-------------------|-------------|--------|---------------|------------------|------|---------------------------|------|-------------------------------------|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------|------|----------|---------|
|                                                                      |                   |             |        |               | Common Shares    | (%)  | Common Shares             | (%)  | Common Shares                       | (%)  |                                                                                                                                                                                                                                                                  |                                                               | Title                              | Name | Relation |         |
|                                                                      |                   |             |        |               | Preferred Shares | (%)  | Preferred Shares          | (%)  | Preferred Shares                    | (%)  |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Chief Executive Officer                                              | Republic of China | Mike Chang  | Male   | 01/01/2021    | 12,612,020       | 0.75 | 582,148                   | 0.03 | 16,258,000                          | 0.97 | Department of Electrical Engineering, National Taipei Institute of Technology<br>(Department of Electrical Engineering, National Taipei University of Technology);<br>President (Far East Dist.), TXC Corporation;<br>President, WPG Holdings Affiliated Venture | Chairman & Director, WPG Holdings Affiliated Venture          | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Chief Marketing & Sales Officer                                      | Republic of China | IJ Hsu      | Male   | 01/01/2021    | 161,627          | 0.01 | 45,200                    | 0.00 | —                                   | —    | B.S., Electronic Engineering, Feng Chia University<br>Senior Executive Vice President, WPG Holdings Affiliated Venture                                                                                                                                           | Director, WPG Holdings Affiliated Venture                     | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Chief Sustainability Officer                                         | Republic of China | K.D. Tseng  | Male   | 01/01/2021    | 9,654,480        | 0.57 | 19,053,200                | 1.13 | —                                   | —    | B.S., Electronic Engineering, National Taiwan Ocean University<br>Chairman, WPG Holdings Affiliated Venture                                                                                                                                                      | Chairman & Director, WPG Holdings Affiliated Venture          | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Chief Financial Officer (Accounting Supervisor、Financial Supervisor) | Republic of China | Cliff Yuan  | Male   | 11/09/2005    | 685,584          | 0.04 | 13,082                    | —    | —                                   | —    | Dual Degree in Law & Accounting, Soochow University;<br>Financial Assistant Vice President, WPG Holdings Affiliated Venture                                                                                                                                      | Director & Supervisor, WPG Holdings Affiliated Venture        | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Chief Information Officer                                            | Republic of China | Jazz Chuang | Male   | 01/01/2012    | 166,216          | 0.01 | 689                       | 0.00 | —                                   | —    | E.M.B.A., Information Management, National Taiwan University College of Management;<br>Vice President, WPG Holdings Affiliated Venture                                                                                                                           | None                                                          | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | 30,000           | 0.02 | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Chief HR Officer                                                     | Republic of China | David Li    | Male   | 07/01/2013    | 73,367           | 0.00 | —                         | —    | —                                   | —    | EMBA, Southern California University;<br>Vice President, WPG Holdings Affiliated Venture                                                                                                                                                                         | None                                                          | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Chief Legal Officer                                                  | Republic of China | Lucia Tai   | Female | 05/01/2018    | 238              | 0.00 | 1,000                     | 0.00 | —                                   | —    | Department of Law, National Taiwan University                                                                                                                                                                                                                    | Director, WPG Holdings Affiliated Venture                     | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Chief MarCom Officer                                                 | Republic of China | Tracy Cheng | Female | 05/01/2018    | 239,701          | 0.01 | —                         | —    | —                                   | —    | Dual Degree in German & English, Soochow University                                                                                                                                                                                                              | None                                                          | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Vice President                                                       | Republic of China | Scott Lin   | Male   | 01/01/2007    | 591,507          | 0.04 | —                         | —    | —                                   | —    | B.S., Electronic Engineering, National Taipei University of Technology<br>General Manager of Infineon Taiwan Branch                                                                                                                                              | None                                                          | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Vice President                                                       | Republic of China | Victor Lu   | Male   | 01/01/2021    | 563              | —    | 290                       | —    | —                                   | —    | B.S., Electronic Engineering, National Taipei University of Technology<br>Vice President, Arrow Electronics Taiwan Limited                                                                                                                                       | None                                                          | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |
| Vice President                                                       | Republic of China | Jessica Lee | Female | 01/01/2021    | 17,558           | —    | —                         | —    | —                                   | —    | A.S., Shipping and Transportation Management, Taipei University of Marine Technology<br>Vice President, WPG Holdings Affiliated Venture                                                                                                                          | None                                                          | —                                  | —    | —        |         |
|                                                                      |                   |             |        |               | —                | —    | —                         | —    | —                                   | —    |                                                                                                                                                                                                                                                                  |                                                               |                                    |      |          |         |

3.2.3 Remuneration Paid in the Most Recent Year to Directors, Supervisors, President, and Vice Presidents

(1) Remuneration paid to Directors and Independent Directors

December 31, 2022; Unit: NT\$ thousands

| Title                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Name                           | Director's Remuneration (Note 1) |                           |                                |                           |                               |                           |                |                           | (A+B+C+D) as a % of Net Income |                           | Compensation Earned by a Director Who is an Employee of WPG or of WPG's Consolidated Entities |                           |                                |                           |                                     |                           |             |                           |                                      |                           | Compensation Paid to Directors from Non-consolidated Affiliates |             |                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------------------------|---------------------------|--------------------------------|---------------------------|-------------------------------|---------------------------|----------------|---------------------------|--------------------------------|---------------------------|-----------------------------------------------------------------------------------------------|---------------------------|--------------------------------|---------------------------|-------------------------------------|---------------------------|-------------|---------------------------|--------------------------------------|---------------------------|-----------------------------------------------------------------|-------------|---------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                | Base Compensation (A)            |                           | Severance pay and Pensions (B) |                           | Compensation to Directors (C) |                           | Allowances (D) |                           |                                |                           | Base Compensation, Bonuses and Allowances (E)                                                 |                           | Severance Pay and Pensions (F) |                           | Employee's Profit Sharing Bonus (G) |                           |             |                           | (A+B+C+D+E+F+G) as a % of Net Income |                           |                                                                 |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                | The Company                      | All Consolidated Entities | The Company                    | All Consolidated Entities | The Company                   | All Consolidated Entities | The Company    | All Consolidated Entities | The Company                    | All Consolidated Entities | The Company                                                                                   | All Consolidated Entities | The Company                    | All Consolidated Entities | The Company                         | All Consolidated Entities | The Company |                           | All Consolidated Entities            |                           |                                                                 | The Company | All Consolidated Entities |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                |                                  |                           |                                |                           |                               |                           |                |                           |                                |                           |                                                                                               |                           |                                |                           |                                     |                           | Cash        | Stock (Fair Market Value) | Cash                                 | Stock (Fair Market Value) |                                                                 |             |                           |
| Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Simon Huang                    | 420                              | 804                       | 0                              | 0                         | 7,813                         | 8,655                     | 0              | 0                         | 8,233<br>0.08%                 | 9,459<br>0.09%            | 16,400                                                                                        | 19,600                    | 511                            | 511                       | 0                                   | 0                         | 0           | 0                         | 25,144<br>0.24%                      | 29,570<br>0.28%           | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | K.D. Tseng                     | 260                              | 644                       | 0                              | 0                         | 3,906                         | 4,327                     | 0              | 0                         | 4,166<br>0.04%                 | 4,971<br>0.05%            | 10,000                                                                                        | 16,000                    | 0                              | 501                       | 0                                   | 0                         | 0           | 0                         | 14,166<br>0.13%                      | 21,472<br>0.20%           | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Mike Chang                     | 240                              | 240                       | 0                              | 0                         | 3,906                         | 3,906                     | 0              | 0                         | 4,166<br>0.04%                 | 4,166<br>0.04%            | 25,906                                                                                        | 25,906                    | 906                            | 906                       | 14,004                              | 0                         | 14,004      | 0                         | 44,962<br>0.43%                      | 44,962<br>0.43%           | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Frank Yeh                      | 240                              | 240                       | 0                              | 0                         | 3,906                         | 3,906                     | 0              | 0                         | 4,166<br>0.04%                 | 4,166<br>0.04%            | 42,000                                                                                        | 42,000                    | 1,483                          | 1,483                     | 8,000                               | 0                         | 8,000       | 0                         | 55,629<br>0.53%                      | 55,629<br>0.53%           | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | T.L. Lin                       | 260                              | 260                       | 0                              | 0                         | 3,906                         | 3,906                     | 0              | 0                         | 4,166<br>0.04%                 | 4,166<br>0.04%            | 0                                                                                             | 0                         | 0                              | 0                         | 0                                   | 0                         | 0           | 0                         | 4,166<br>0.04%                       | 4,166<br>0.04%            | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | K.Y. Chen                      | 260                              | 260                       | 0                              | 0                         | 3,906                         | 3,906                     | 0              | 0                         | 4,166<br>0.04%                 | 4,166<br>0.04%            | 10,000                                                                                        | 15,400                    | 0                              | 460                       | 0                                   | 0                         | 0           | 0                         | 14,166<br>0.13%                      | 20,026<br>0.19%           | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Fullerton Technology Co., Ltd. | 0                                | 0                         | 0                              | 0                         | 3,906                         | 3,906                     | 0              | 0                         | 3,906<br>0.04%                 | 3,906<br>0.04%            | 0                                                                                             | 0                         | 0                              | 0                         | 0                                   | 0                         | 0           | 0                         | 3,906<br>0.04%                       | 3,906<br>0.04%            | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Representative: Richard Wu     | 240                              | 240                       | 0                              | 0                         | 0                             | 0                         | 0              | 0                         | 240<br>0%                      | 240<br>0%                 | 0                                                                                             | 0                         | 0                              | 0                         | 0                                   | 0                         | 0           | 0                         | 240<br>0%                            | 240<br>0%                 | 0                                                               |             |                           |
| Independent Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Jack J.T. Huang                | 1,160                            | 1,160                     | 0                              | 0                         | 5,271                         | 5,271                     | 0              | 0                         | 6,431<br>0.06%                 | 6,431<br>0.06%            | 0                                                                                             | 0                         | 0                              | 0                         | 0                                   | 0                         | 0           | 0                         | 6,431<br>0.06%                       | 6,431<br>0.06%            | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Charles Chen                   | 1,040                            | 1,040                     | 0                              | 0                         | 5,271                         | 5,271                     | 0              | 0                         | 6,311<br>0.06%                 | 6,311<br>0.06%            | 0                                                                                             | 0                         | 0                              | 0                         | 0                                   | 0                         | 0           | 0                         | 6,311<br>0.06%                       | 6,311<br>0.06%            | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Weiru Chen                     | 500                              | 500                       | 0                              | 0                         | 5,271                         | 5,271                     | 0              | 0                         | 5,771<br>0.05%                 | 5,771<br>0.05%            | 0                                                                                             | 0                         | 0                              | 0                         | 0                                   | 0                         | 0           | 0                         | 5,771<br>0.05%                       | 5,771<br>0.05%            | 0                                                               |             |                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Kathy Yang ( Note 2)           | 320                              | 320                       | 0                              | 0                         | 4,938                         | 4,938                     | 0              | 0                         | 5,258<br>0.05%                 | 5,258<br>0.05%            | 0                                                                                             | 0                         | 0                              | 0                         | 0                                   | 0                         | 0           | 0                         | 5,258<br>0.05%                       | 5,258<br>0.05%            | 0                                                               |             |                           |
| Note 1: Resolved by the Company's Board of Directors on March 28 <sup>th</sup> , 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                |                                  |                           |                                |                           |                               |                           |                |                           |                                |                           |                                                                                               |                           |                                |                           |                                     |                           |             |                           |                                      |                           |                                                                 |             |                           |
| Note 2: Ms. Kathy Yang was by-elected at the general shareholders' meeting on August 3 <sup>rd</sup> , 2021.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                |                                  |                           |                                |                           |                               |                           |                |                           |                                |                           |                                                                                               |                           |                                |                           |                                     |                           |             |                           |                                      |                           |                                                                 |             |                           |
| 1. Please describe the remuneration policy, system, standard, and structure of Independent Directors, and as attested by the responsibilities, risks, investment time, and other factors to describe the relation with the amount of remuneration paid: the Independent Directors of the Company are ex officio members of the audit committee, as claimed by the remuneration payment standard for directors decided by the Board of Directors of the Company. In addition to receiving fixed remuneration as a director, the convener of the Audit Committee receives a fixed monthly remuneration, the audit members receive attendance fees as stated by the number of meetings; based on the performance evaluation method of the Board of Directors, the Audit Committee receives committee performance remuneration as reported by the annual performance evaluation results; if the Company has a surplus at the end of the year, the director's remuneration is paid on the basis of the Company's operating performance, considering the time invested by the Independent Directors and their responsibilities, the amount to be released shall be decided by the Board of Directors. |                                |                                  |                           |                                |                           |                               |                           |                |                           |                                |                           |                                                                                               |                           |                                |                           |                                     |                           |             |                           |                                      |                           |                                                                 |             |                           |
| 2. Besides the disclosure in the above table, remuneration received by the Directors of the Company in the most recent year for providing services (such as serving as a consultant for the parent company / all companies listed in the financial report / non-employees of the investments in other companies, etc.): None.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                |                                  |                           |                                |                           |                               |                           |                |                           |                                |                           |                                                                                               |                           |                                |                           |                                     |                           |             |                           |                                      |                           |                                                                 |             |                           |



(2) Compensation paid to President and Vice Presidents

December 31, 2022; Unit: NT\$ thousands

| Title                                                                 | Name        | Salary (A)  |                           | Severance Pay and Pensions (B) |                           | Bonuses and Allowances (C) |                           | Employee’s Profit Sharing Bonus (D) (Note 1) |                           |                                                        |                           | (A+B+C+D) as a % of Net Income |                           | Compensation received from Non-consolidated Affiliates |
|-----------------------------------------------------------------------|-------------|-------------|---------------------------|--------------------------------|---------------------------|----------------------------|---------------------------|----------------------------------------------|---------------------------|--------------------------------------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------------------------------|
|                                                                       |             | The Company | All Consolidated Entities | The Company                    | All Consolidated Entities | The Company                | All Consolidated Entities | The Company                                  |                           | All companies in the consolidated financial statements |                           | The Company                    | All Consolidated Entities |                                                        |
|                                                                       |             |             |                           |                                |                           |                            |                           | Cash                                         | Stock (Fair Market Value) | Cash                                                   | Stock (Fair Market Value) |                                |                           |                                                        |
| Chief Executive Officer                                               | Mike Chang  | 69,677      | 69,677                    | 2,993                          | 2,993                     | 41,716                     | 41,716                    | 48,110                                       | —                         | 48,110                                                 | —                         | 162,496<br>1.55%               | 162,496<br>1.54%          | None                                                   |
| Chief Corporate Structure Officer                                     | Frank Yeh   |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Chief Marketing & Sales Officer                                       | IJ Hsu      |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Chief Financial Officer (Accounting Supervisor, Financial Supervisor) | Cliff Yuan  |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Chief Information Officer                                             | Jazz Chuang |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Chief HR Officer                                                      | David Li    |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Chief Legal Officer                                                   | Lucia Tai   |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Chief MarCom Officer                                                  | Tracy Cheng |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Vice President                                                        | Jessica Lee |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Vice President                                                        | Victor Lu   |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Vice President                                                        | Scott Lin   |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |
| Total of President and Vice Presidents                                |             |             |                           |                                |                           |                            |                           |                                              |                           |                                                        |                           |                                |                           |                                                        |

Note 1: On March 28<sup>th</sup>, 2023, the Company's Board of Directors resolved that the employees' and Directors' remuneration for 2022 was \$48,110 and \$52,000, the difference from the recognition in the 2022 financial report has been adjusted into gain and loss in the first quarter of 2023.

| Range of Remuneration Range of remuneration paid to President and Vice Presidents | Name of President and Vice Presidents             |                                                   |
|-----------------------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------|
|                                                                                   | The Company                                       | All Consolidated Entities                         |
| Less than NT\$ 1,000,000                                                          | —                                                 | —                                                 |
| NT\$ 1,000,000 to NT\$1,999,999                                                   | —                                                 | —                                                 |
| NT\$ 2,000,000 to NT\$3,499,999                                                   | —                                                 | —                                                 |
| NT\$3,500,000 to NT\$4,999,999                                                    | Tracy Cheng 、 Scott Lin 、 Jessica Lee 、 Victor Lu | Tracy Cheng 、 Scott Lin 、 Jessica Lee 、 Victor Lu |
| NT\$5,000,000 to NT\$9,999,999                                                    | Cliff Yuan 、 Jazz Chuang 、 David Li 、 Lucia Tai   | Cliff Yuan 、 Jazz Chuang 、 David Li 、 Lucia Tai   |
| NT\$10,000,000 to NT\$14,999,999                                                  | —                                                 | —                                                 |
| NT\$15,000,000 to NT\$29,999,999                                                  | IJ Hsu                                            | IJ Hsu                                            |
| NT\$30,000,000 to NT\$49,999,999                                                  | Mike Chang                                        | Mike Chang                                        |
| NT\$50,000,000 to NT\$99,999,999                                                  | Frank Yeh                                         | Frank Yeh                                         |
| NT\$100,000,000 or More                                                           | —                                                 | —                                                 |
| Total                                                                             | 11                                                | 11                                                |

(3) Employee’s Profit Sharing Bonus Paid to Management Team

December 31, 2022; Unit: NT\$ thousands

|                 | Title                                                                 | Name        | Stock (Fair Market Value) | Cash (Note 1) | Total  | Total Amount as % of Net Income |
|-----------------|-----------------------------------------------------------------------|-------------|---------------------------|---------------|--------|---------------------------------|
| Management Team | Chief Executive Officer                                               | Mike Chang  | —                         | 48,110        | 48,110 | 0.45                            |
|                 | Chief Corporate Structure Officer                                     | Frank Yeh   |                           |               |        |                                 |
|                 | Chief Marketing & Sales Officer                                       | IJ Hsu      |                           |               |        |                                 |
|                 | Chief Financial Officer (Accounting Supervisor, Financial Supervisor) | Cliff Yuan  |                           |               |        |                                 |
|                 | Chief Information Officer                                             | Jazz Chuang |                           |               |        |                                 |
|                 | Chief HR Officer                                                      | David Li    |                           |               |        |                                 |
|                 | Chief Legal Officer                                                   | Lucia Tai   |                           |               |        |                                 |
|                 | Chief MarCom Officer                                                  | Tracy Cheng |                           |               |        |                                 |
|                 | Vice President                                                        | Jessica Lee |                           |               |        |                                 |
|                 | Vice President                                                        | Victor Lu   |                           |               |        |                                 |
|                 | Vice President                                                        | Scott Lin   |                           |               |        |                                 |

Note 1: On March 28<sup>th</sup>, 2022, the Company’s Board of Directors resolved that the employees’ and Directors’ remuneration for 2022 was \$48,110 and \$52,000, the difference from the recognition in the 2022 financial report has been adjusted into gain and loss in the first quarter of 2023.

3.2.4 Separate Comparisons and Descriptions of Total Remuneration, as a Percentage of Net Income Stated in the Parent Company-only Financial Reports or Individual Financial Reports, as Paid by the Company and All Other Companies Included in the Consolidated Financial Statements in the Past Two Years to Directors, Supervisors, the President, and Vice Presidents, with Analysis and Description of Remuneration Policies, Standards, and Packages, Procedure for Determining Remuneration, and Linkage Thereof to Operating Performance and Future Risk Exposure

(1) Analysis of total compensations paid to the Company's Directors, Supervisors, President, and Vice presidents in the 2 most recent years as a % of Net Income After Tax (NIAT)

Unit: NT\$ thousands

| Category                                    | The Company |            | All Consolidated Entities |            |
|---------------------------------------------|-------------|------------|---------------------------|------------|
|                                             | 2021        | 2022       | 2021                      | 2022       |
| Director's Remuneration                     | 57,573      | 56,940     | 59,495                    | 58,971     |
| Ratio of Total Amount to Net Income (%)     | 0.50        | 0.54       | 0.51                      | 0.56       |
| Supervisor's Remuneration                   | —           | —          | —                         | —          |
| The ratio of Total Amount to Net Income (%) | —           | —          | —                         | —          |
| President and Vice Presidents' Compensation | 150,544     | 162,496    | 150,544                   | 162,496    |
| Ratio of Total Amount to Net Income (%)     | 1.31        | 1.55       | 1.29                      | 1.54       |
| NIAT                                        | 11,496,933  | 10,512,466 | 11,647,710                | 10,577,434 |

As shown in the above table, 2022, the compensation paid to President and Vice Presidents increased alongside the rise of the Company's net income after tax(NIAT), but Directors' remuneration decreased. Yet, the ratio of the Director's remuneration to net income after tax increased as well as the total remuneration of the President and Vice President.

(2) Remuneration policy, standard and package, the procedure for determination, and linkage thereof to operating performance and future risk exposure:

i. The rules governing the remunerations paid to Directors and Supervisors are as follow:

In accordance with the regulations stipulated in the Articles of Incorporation of the Company, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of the Board of Directors, allocate no more than 3% as directors' remuneration, and report to the shareholders meeting. However, when the company still has accumulated losses, it shall reserve the compensation amount in advance.

ii. The rules governing the remuneration paid to President and Vice Presidents are as follows:

In compliance with the regulations stipulated in the Articles of Incorporation of the Company, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of the Board of Directors, allocate more than 0.01%

and less than 5% as employees' remuneration and report to the shareholders meeting.

The remuneration of the Vice President of the company is reported by the President. After review and approval by the remuneration committee, the remuneration is reported to the board of directors in an agreeable manner for approval.

iii. CEO and senior managers compensation structure

The remuneration structure of CEO and senior managers is highly aligned with performance. The remuneration policies and performance evaluation policies and standards are reviewed by the remuneration committee and submitted to the board of directors for resolution and implementation. The measurement aspects of manager remuneration and performance include the practice of corporate core values, senior-level competency behavior indicators, leadership and management capabilities, relevant operational performance indicators, and other special performances.

| Measurement Dimension  | Items and Weight                                                                | Description                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Performance Indicators | Financial and business indicators—70%                                           | Profit growth index and operation management quality improvement index: Profit After Tax(PAT),etc.                                                                                                                                                                                                                                                                                                                             |
|                        | Comprehensive management indicators—30%                                         | <ul style="list-style-type: none"> <li>• Practice business philosophy, corporate culture, and core values, and cast the vision of common prosperity</li> <li>• Organizational leadership and management capabilities</li> <li>• Human resource management and human capital development</li> <li>• Innovation and integration, risk management, regulation compliance, and sustainable development (ESG) strategies</li> </ul> |
|                        | Other special contributions or major events are also included in the assessment | —                                                                                                                                                                                                                                                                                                                                                                                                                              |

iv. Pursuant to the Company's Articles of Incorporation, the remuneration of Directors who conduct the business of the Company shall be determined by the Board of Directors and paid based on the participation in and contribution to the Company and with reference to industry standards no matter whether the Company is in a loss or not. The Board of Directors of the Company has established Remuneration Committee that assists in the development of remuneration policies for Directors, the senior managers, and the Company as a whole. In accordance with the Company's board resolutions, Directors and committee conveners receive fixed pay every month, and committee members are offered allowance according to the attendance of meetings, with no compensation paid. If the Company has surplus earnings at the end of the year, directors' remuneration shall be

determined in consideration of the Company's operating performance as well as directors' participation in and contribution to the Company's operation, and paid after the distribution proposal is reviewed by Remuneration Committee and resolved by the Board of Directors. Directors' remuneration content and rationality is periodically reviewed (at least once per term) by the Remuneration Committee and resolved by the Board of Directors. Directors' remuneration policy is reviewed in due course according to operating performance and related regulations in order to balance sustainable development and risk control. The Company has ensured the Board and managerial personnel against liability, with insured amounts adding up to US\$ 15,000 thousand; by means of D&O insurance, the Company mitigates the risk exposure, shifting the potential damages arising from the business conduct of Directors, management team and the Company.

- v. The Company's remuneration policy for directors and appointed managers will be reviewed timely based on consideration of the overall environment, corporate business strategies, future risk assessment, etc. with the aim of minimizing potential risks.

### **3.3 Overview of Corporate Governance**

#### **3.3.1 Information on Board Operations**

At the general meeting of shareholders on June 24, 2020, WPG Holdings elected the sixth Board of Directors for a term of 3 years from 2020/6/24 to 2023/6/23. The sixth term Board of Directors consists of 11 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market mindset. Among them, there are 4 Independent Directors: Jack J.T. Huang, Chairman of Taiwan Renaissance Platform Co. Ltd., Charles Chen, who previously served as Vice Director of PricewaterhouseCoopers Taiwan, Weiru Chen, Director at Alibaba Business School Industry Network Center, and Kathy Yang, who previously served as Executive Vice President of CDIB Capital Group.

The Board has the responsibility to supervise the overall operations and affairs of the Company and make decisions for major investment and M&A matters.

In 2022, the Board held 11 meetings. The following lists the attendance of Directors and Supervisors at these meetings:

| Title                | Name                                                        | In person | By proxy | Actual presence (attendance) (%) | Remarks |
|----------------------|-------------------------------------------------------------|-----------|----------|----------------------------------|---------|
| Chairman             | Simon Huang                                                 | 11        | 0        | 100%                             |         |
| Vice Chairman        | Frank Yeh                                                   | 11        | 0        | 100%                             |         |
| Director             | K.D. Tseng                                                  | 11        | 0        | 100%                             |         |
| Director             | Mike Chang                                                  | 11        | 0        | 100%                             |         |
| Director             | T.L. Lin                                                    | 10        | 1        | 90.91%                           |         |
| Director             | K.Y. Chen                                                   | 11        | 0        | 100%                             |         |
| Director             | Richard Wu (Representative, Fullerton Technology Co., Ltd.) | 11        | 0        | 100%                             |         |
| Independent Director | Jack J.T. Huang                                             | 10        | 1        | 90.91%                           |         |
| Independent Director | Charles Chen                                                | 11        | 0        | 100%                             |         |
| Independent Director | Weiru Chen                                                  | 11        | 0        | 100%                             |         |
| Independent Director | Kathy Yang                                                  | 11        | 0        | 100%                             |         |

Other Matters:

I Where the proceedings of the Board meeting include one of the following circumstances, then describe the date, session, topic discussed, opinions of every Independent Director, and the handling by the Company:

(I) Matters referred to in Article 14-3 of the Securities and Exchange Act.

| Board of Directors Meeting Date                                                                             | Content of Proposal                                                                         |
|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| March 08, 2022<br>(3 <sup>rd</sup> meeting in 2022)                                                         | Proposal of the investment of common share's private placement in EDOM Technology Co., Ltd. |
| March 22, 2022<br>(4 <sup>th</sup> meeting in 2022)                                                         | Proposal of the appointment of 2022 WPG's accountants.                                      |
| Opinions of independent directors: None.                                                                    |                                                                                             |
| The company's handling of independent directors' opinions: None.                                            |                                                                                             |
| Resolution result: After the chairman consulted all the directors present, it was passed without objection. |                                                                                             |

(II) Other than the matters mentioned above, other resolutions on which the Independent Directors have dissenting or reserved opinions: None

II Regarding recusals of Directors from voting due to conflicts of interests, the names of the Independent Directors, contents of motions, reasons for recusal, and results of the voting shall be specified: None.

### III Implementation of Board of Directors evaluation:

| Evaluation Cycle  | Period of Evaluation          | Scope                | Evaluation Method                                  | Evaluation Content                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------|-------------------------------|----------------------|----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Every year        | 2022/01/01<br>~<br>2022/12/31 | Board of Directors   | Board Member Self-Evaluation                       | <ul style="list-style-type: none"> <li>● Degree of participation in the Company's operations</li> <li>● Internal control and risk management</li> <li>● Management of external and internal relations</li> <li>● Composition and capabilities of the Board</li> <li>● Decision-making quality and operations of the Board</li> <li>● Whether work goals are achieved</li> </ul>                            |
| Every year        | 2022/01/01<br>~<br>2022/12/31 | Board of Directors   | Directors' Self-Evaluation                         | <ul style="list-style-type: none"> <li>● Degree of participation in the Company's operations</li> <li>● Internal control and risk management</li> <li>● Management of external and internal relations</li> <li>● Decision-making quality and operations of the Board</li> <li>● Whether work goals are achieved</li> </ul>                                                                                 |
| Every year        | 2022/01/01<br>~<br>2022/12/31 | Functional Committee | Committee Member Self-Evaluation                   | <ul style="list-style-type: none"> <li>● Operation of the Committee</li> <li>● Degree of participation in the Company's operations</li> <li>● Understanding of the responsibilities of the functional committee</li> <li>● Enhance the decision-making quality of functional committees</li> <li>● The work objectives of the current committee have been achieved</li> </ul>                              |
| Every three years | 2021/01/01<br>~<br>2022/06/30 | Board of Directors   | Consigned to an external professional organization | <ul style="list-style-type: none"> <li>● Board of directors structure and process</li> <li>● Members of the board of directors</li> <li>● Legal organizational structure</li> <li>● Roles and responsibilities</li> <li>● Behavior and culture</li> <li>● Director training and development</li> <li>● Supervision in risk control</li> <li>● Declaration/disclosure and performance monitoring</li> </ul> |

IV Measures taken to strengthen the functionality of the Board this year and in recent years (including establishing Audit Committee and enhancing information transparency, etc.) and the results thereof: In order to perfect the supervising functions of the Board and enhance its managerial mechanism, since 2008, WPG has advanced the establishment and operation of the Audit Committee and the Remuneration Committee, and established New Business Strategy Committee on Oct. 29, 2013. (The Committee was dissolved by the resolution of the Board of Directors on Nov. 9, 2021, due to the completion of the scheduled tasks), please refer to 3.3.2 "Operation of Audit Committee" and 3.3.3 "Operation of Remuneration Committee" on page 36 for details.

## The attendance of Independent Directors at each Board meeting in 2022

◎ Attendance in person; ☆ Attendance in proxy; ✕ Not attend

| 2022            | 1st Meeting | 2nd meeting | 3rd Meeting | 4th Meeting | 5th Meeting | 6th Meeting | 7th Meeting | 8th Meeting | 9th Meeting | 10th Meeting | 11th Meeting |
|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Jack J.T. Huang | ◎           | ◎           | ☆           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎            | ◎            |
| Charles Chen    | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎            | ◎            |
| Weiru Chen      | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎            | ◎            |
| Kathy Yang      | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎           | ◎            | ◎            |

### 3.3.2 Operation of Audit Committee

The whole independent directors constitute the Audit Committee of the Company, to establish a good corporate governance structure, reinforce audit supervision functions and strengthen the management mechanism; the Audit Committee aims to assist the board of directors in performing its supervisory duties, and its powers are as follows:

1. Adoption or amendment of an internal control system is pursuant to Article 14-1 of the Securities and Exchange Law.
2. Evaluation of the effectiveness of the internal control system.
3. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Law, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, an extension of monetary loans to others, or endorsements or guarantees for others.
4. A matter bearing on the personal interest of a director.
5. A material asset or derivatives transaction.
6. A material monetary loan, endorsement, or provision of a guarantee.
7. The offering, issuance, or private placement of any equity-type securities.
8. The hiring or dismissal of an attesting CPA or the compensation was given thereto.
9. The appointment or discharge of a financial, accounting, or internal auditing officer.
10. Review of annual financial reports and second quarter financial reports
11. Review of major investment performance.
12. Supervise the formulation and implementation of risk management policies.
13. Any other material matter so required by the Competent Authority.



The Audit Committee convened a total of 11 meetings in 2022, with the attendance of directors listed as follows:

| Title                           | Name            | In-person | By proxy | Attendance rate (%) | Remarks |
|---------------------------------|-----------------|-----------|----------|---------------------|---------|
| Independent Director (Convener) | Charles Chen    | 11        | —        | 100%                |         |
| Independent Director (Member)   | Jack J.T. Huang | 11        |          | 100%                |         |
| Independent Director (Member)   | Weiru Chen      | 11        | —        | 100%                |         |
| Independent Director (Member)   | Kathy Yang      | 11        | —        | 100%                |         |

Other Matters:

I With regard to the operation of the Audit Committee, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all Audit Committee resolutions, and the Company's handling of such resolutions shall be specified:

(I) Matters referred to in Article 14-5 of the Securities and Exchange Act.

| Audit Committee Meeting Date                                                                                                           | Content of motion                                                                                                                                   |
|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| February 28, 2022<br>( 2 <sup>nd</sup> Meeting in 2022)                                                                                | The Company's 2021 financial reports (including parent company-only financial statements and consolidated financial statements) and business report |
| March 8, 2022<br>( 3 <sup>rd</sup> Meeting in 2022)                                                                                    | Proposal of the investment of common share's private placement in EDOM Technology Co., Ltd.                                                         |
| March 22, 2022<br>( 4 <sup>th</sup> Meeting in 2022)                                                                                   | Internal control system self-inspection and internal control statement in 2021                                                                      |
| March 22, 2022<br>( 4 <sup>th</sup> Meeting in 2022)                                                                                   | The appointment of CPAs in 2022                                                                                                                     |
| Audit Committee resolution: Approved by all members who raised no objection when the Chairperson put forward the relevant resolutions. |                                                                                                                                                     |
| The Company's actions in response to the opinions of the Audit Committee: All Directors present voted in favor of the resolution.      |                                                                                                                                                     |

(II) Except for the previous matters, other matters that have not been approved by the Audit Committee and approved by more than two-thirds of all directors: none.

II Ways in which Independent Directors have abstained from motions that pose a conflict of interest, the Independent Director's name, the content of the motion, cause of the conflict of interest, and the circumstances of the vote shall be elaborated: None.

III Communications between Independent Directors, the Company's Chief Internal Auditor, and CPAs (shall include the material items, methods, and results of audits of corporate finance or operations, etc.): The Audit Committee is composed of all three Independent Directors and holds meetings at least once per quarter, where the heads of the audit office and accounting and financial office shall make a routine business report. In addition, CPAs shall also regularly communicate with the Audit Committee. For the

relevant communication details, please refer to the Company's official website.

### 3.3.3 Composition, Duties, and Operation of Remuneration Committee

#### (1) Composition of Remuneration Committee

| Position                | Name/<br>Qualification        | Professional Qualification and Experience<br>Independence Criteria                                                                                                                             | Number of Other Taiwanese<br>Public Companies Concurrently<br>Serving as Remuneration<br>Committee member |
|-------------------------|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| Independent<br>Director | Jack J.T. Huang<br>(Convener) | All members are Independent Directors,<br>please refer to pages 20-21 for information<br>disclosure of Directors' Professional<br>Qualifications and Independence of<br>Independent Directors. | 2                                                                                                         |
| Independent<br>Director | Charles Chen                  |                                                                                                                                                                                                | 1                                                                                                         |
| Independent<br>Director | Weiru Chen                    |                                                                                                                                                                                                | 0                                                                                                         |

#### (2) Operation of Remuneration Committee

Remuneration Committee is formed according to “Remuneration Committee Organizational Rules” and the authority of the committee is listed below. Remuneration Committee reports the operating status or recommendations to the Board of Directors for discussion.

1. Propose Director’s Compensation and performance evaluation report regularly
2. Propose CEO Compensation and performance evaluation report regularly
3. Propose and review the Board of Director performance evaluation
4. Propose and review CEO performance evaluation

Remuneration Committee is composed of three members, of whom Jack J.T. Huang acts as the convener and convenes meetings no less than twice a year. The term of the current office is from June 24, 2020, to June 23, 2023.

Five meetings were convened in 2022; the status of attendance is as follows:

| Title                              | Name            | In person | By proxy | Attendance rate (%) | Remarks |
|------------------------------------|-----------------|-----------|----------|---------------------|---------|
| Independent Director<br>(Convener) | Jack J.T. Huang | 5         | —        | 100%                |         |
| Independent Director<br>(Member)   | Charles Chen    | 5         | —        | 100%                |         |
| Independent Director<br>(Member)   | Weiru Chen      | 5         | —        | 100%                |         |

#### Other Matters:

| Remuneration<br>Committee Meeting<br>Date                                                                                                                                                                        | Content of motion                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| January 24, 2022<br>(1 <sup>st</sup> meeting in 2022)                                                                                                                                                            | 1. Proposal of the Company's 2021 compensation distribution for Directors<br>2. Proposed to set 2022 WPG Holdings CEO and appointed managers key performance indicators (KPI) |
| March 22, 2022<br>(2 <sup>nd</sup> meeting in 2022)                                                                                                                                                              | 1. Proposal of the Company’s 2021 manager and employee performance appraisal and remuneration distribution( Note.)                                                            |
| April 26, 2022<br>(3 <sup>rd</sup> meeting in 2022)                                                                                                                                                              | 1. Proposal of the adjustment in setting the key performance indicators (KPI) for the company's appointed managers and holding senior managers in 2022.                       |
| Note: The matters to be determined by the Remuneration Committee under the authorization of the Board of Directors pursuant to Operation Procedures of the Remuneration Committee shall be first resolved by the |                                                                                                                                                                               |

Remuneration Committee and then reported to the Board of Directors.

The results of the resolution of the Salary and Remuneration Committee: the chairman consulted all the members at the scene and passed without objection.

The company's handling of the opinions of the Salary and Remuneration Committee: Approved by all the directors at the scene at the board of directors without objection.

- I. In the event the Board of Directors does not adopt or wishes to amend the proposals of the Remuneration Committee, please state the date and number of the Board meeting, the content of the proposals, the resolution from the Board of Directors, and the method the opinion from the Remuneration Committee was handled (e.g. if the salaries and compensations approved by the Board were higher than the suggested levels from the Remuneration Committee, please state the differences and reasons): None.
- II. If a member has a dissenting or qualified opinion, that a member has a record or reservation that is recorded or stated in a written statement, the date and session of the Remuneration Committee, the content of the proposal, all members' opinions, and the handling of the opinions of the member of the Remuneration Committee shall be stated: None.

## 3.3.4 Corporate Governance Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof

| Evaluation Item                                                                                                                                                                         | Implementation Status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                         | Yes                            | No | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                      |
| I. Does the Company establish and disclose its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies? | Yes                            |    | The Company has formulated the Corporate Governance Best Practice Principles on July 27, 2010. Please refer to the “Corporate Governance” section on page 37-40 of this Report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | No deviation.                                                                                                        |
| II. Shareholding structure & shareholders’ rights                                                                                                                                       |                                |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                      |
| (I) Does the Company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes, and litigations, and implement based on the procedure?         | Yes                            |    | (I) WPG designates a spokesperson, deputy spokesperson, and shareholder services agent to handle such matters.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | No deviation.                                                                                                        |
| (II) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?                                                                        | Yes                            |    | (II) WPG’s shareholder services division retains the register of major shareholders; such records are disclosed, by law, on the designated internet information posting system of Securities and Futures Institute.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | No deviation.                                                                                                        |
| (III) Does the Company establish and execute the risk management and firewall system within its conglomerate structure?                                                                 | Yes                            |    | (III) WPG’s internal control systems already have relevant systems; a clear distinction has been drawn between the responsibilities and duties of involved persons and no abnormal transactions have been identified.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | No deviation.                                                                                                        |
| (IV) Does the Company establish internal rules against Insider Trading with undisclosed information?                                                                                    | Yes                            |    | (IV) WPG has established the Procedures for Managements of Major Information and Prevention of Insider Dealing in place, prohibiting company insiders from trading securities using information not disclosed to the market.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | No deviation.                                                                                                        |
| III. Composition and responsibilities of the Board of Directors                                                                                                                         |                                |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                      |
| (I) Does the Board develop and implement a diversified policy for the composition of its members?                                                                                       | Yes                            |    | <p>(I) The company adopts the Directors Candidates Nomination System in accordance with the company's Articles of the Association, Director Election Regulations, and Corporate Governance Principles. The company selects and nominates the Board of Director members through fair and open procedures. According to Article 20, Item 4 of the Company's “Corporate Governance Practice”, in order to achieve the ideal goal of corporate governance, the overall board of directors should show the following capabilities:</p> <ol style="list-style-type: none"> <li>(1) Operational judgment ability</li> <li>(2) Accounting and financial analysis capabilities</li> <li>(3) Operation and management capabilities</li> <li>(4) Crisis handling capabilities</li> <li>(5) Industry knowledge</li> <li>(6) International market views</li> <li>(7) Leadership</li> <li>(8) Decision-making ability</li> </ol> <p>The sixth term Board of Directors consists of 11 members (including 4 Independent Directors). In addition to the electronic components industry, the professional background of the Board covers investment management, strategic management, financial accounting, law, and global market mindset. Among the Board, 2 members are concurrent employees (including appointed manager) (18% of the Board), and 4 members are independent directors (36% of the Board). There is currently 1 female director (achieved the target of at least 1; 9% of the Board). In terms of age, 2 members are over 70 years old, while the remaining 9 members are in the age group of 50-70 years old. There are 3 independent directors with tenure of less than 3 years, and 1 independent director with tenure of more than 9 years; yet, despite his long tenure, Mr. Huang was again elected as an independent director</p> | No deviation.                                                                                                        |

| Evaluation Item                                                                                                                                                                                                                                                                                                                                 | Implementation Status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                 | Yes                            | No | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                      |
| (II) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee which are required by law?                                                                                                                                                                            | Yes                            |    | <p>given his expertise in law and mergers and acquisitions, as well as his extensive experience in related law practice and business management. The Company relies on Mr. Huang's professional advice and supervision toward functional committees to continually improve our corporate governance. Directors' industry experience/professional distribution information is disclosed on the Company's website.</p> <p>(II) The Company established the New Business Strategy Committee on October 29, 2013. Due to the completion of the scheduled tasks, the Board of Directors of the Company resolved to dissolve it on November 9, 2021.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | No deviation.                                                                                                        |
| (III) Does the Company formulate rules and procedures for board performance assessments and each year conduct regularly scheduled performance assessments? Does the Company submit the performance assessment results to the Board and use the results as a standard for the remuneration of directors and the nomination of their re-election? | Yes                            |    | (III) WPG formulated rules and procedures for board performance assessment in 2015 that specifies at least one internal performance assessment shall be made each year. WPG conducts director self-assessment over their performance in the previous year via closed- and open-ended questionnaires in January or so each year and such assessment results shall be reported to the Board of Directors. Since October 2019, at least one evaluation every three years shall be conducted additionally by an external professional independent institution or an external team of experts and scholars.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | No deviation.                                                                                                        |
| (IV) Does the company regularly evaluate the independence of CPAs?                                                                                                                                                                                                                                                                              | Yes                            |    | <p>(IV) The Company regularly assesses the independence and competency of CPAs and establishes the "Verifying Accountant Review and Evaluation Form" based on the "Verifying Accountant Selection Review Method" adopted by the Audit Committee. The following major items are used as review requirements:</p> <ol style="list-style-type: none"> <li>(1) CPAs and their spouses, minor children are not the Directors, Supervisors, management team of the Company and its subsidiaries or have a significant influence on duties and conflicts of interest.</li> <li>(2) Has not undertaken audit service for 7 years.</li> <li>(3) In the past two years, the firm and the CPAs have had no major lawsuits or cases corrected by competent authorities.</li> <li>(4) The certified public accountant reports the content of the review/inspection to the audit committee quarterly</li> <li>(5) Obtain the independent declaration issued by the accountant regularly</li> <li>(6) Scale and reputation of the Accounting firm</li> <li>(7) Service quality and timely manner of audit and tax services</li> </ol> | No deviation.                                                                                                        |

| Evaluation Item                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Implementation Status (Note 1)          |                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |           |              |                  |                  |                               |                                                                                            |         |              |                               |                                                                                 |         |                 |                                  |                                                                         |         |                   |                                         |                                                                    |         |                   |                                  |                                                                                           |         |               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-----------|--------------|------------------|------------------|-------------------------------|--------------------------------------------------------------------------------------------|---------|--------------|-------------------------------|---------------------------------------------------------------------------------|---------|-----------------|----------------------------------|-------------------------------------------------------------------------|---------|-------------------|-----------------------------------------|--------------------------------------------------------------------|---------|-------------------|----------------------------------|-------------------------------------------------------------------------------------------|---------|---------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Yes                                     | No                                                                                         | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                      |           |              |                  |                  |                               |                                                                                            |         |              |                               |                                                                                 |         |                 |                                  |                                                                         |         |                   |                                         |                                                                    |         |                   |                                  |                                                                                           |         |               |
| IV. Is the listed company staffed with sufficient and qualified corporate governance personnel? Does it appoint a head of corporate governance who is in charge of various matters related to corporate governance (including but not limited to, providing the data by directors and supervisors to perform their duties, assisting directors and supervisors to conform to applicable laws, handling matters involving meetings of Board of Directors and shareholders in accordance with the law, making minute book for meetings of Board of Directors and shareholders)? | Yes                                     |                                                                                            | <p>The Company evaluates the independence and competency of CPAs by submitting the CPAs resumes, statements, audit quality indicators (AQIs) as well as CPAs evaluation form, then gained the approval of the Company’s resolutions from the audit committee as well as board meeting on Mar. 28, 2023. According to the Company's assessment, Accountant Lin Yifan, Zhou Jianhong from PricewaterhouseCoopers Taiwan, meet the company's independence and competency of CPAs, and have not undertaken the Company's audit services for 7 consecutive years, and are qualified to serve as the Company's CPAs.</p> <p>The Company has approved to designate Lucia Tai, the Chief Legal Officer, to serve as the Company's head of corporate governance based on the Board Resolution on Apr. 30, 2023, with the goal of protecting the rights and interests of shareholders and strengthening the functions of the Board. Ms. Tai has had more than 3 years of experience in the legal affairs of the Company. The head of corporate governance is mainly responsible for handling matters related to the Board meetings and Shareholders’ Meetings in accordance with the law, recording minutes of Board meetings and Shareholders’ Meetings, assisting the Directors and the Supervisors in their positions, and pursue relevant training courses, furnishing Directors and Supervisors with the information required for business decisions, and assisting them to comply with law and regulations.</p> <p>The scope of operation in 2022 is as follows (including but not limited to):</p> <ul style="list-style-type: none"><li>● Operated the Board meetings and various committee meetings in accordance with the law</li><li>● Planned and executed door-to-door training courses for Directors</li><li>● Obtained and maintained liability insurance for Directors</li><li>● Conducted performance evaluation of the Board of Directors in accordance with the Company's methodology, and by an external institution</li></ul> <p>Training courses conducted in 2022:</p> <table><tr><th>Training date</th><th>Organizer</th><th>Course title</th><th>Hours of Courses</th></tr><tr><td>January 24, 2022</td><td>Taiwan Institute of Directors</td><td>Analysis to Prevent Insider Trading and Ways for Enterprise Responses from Practical Cases</td><td>2 hours</td></tr><tr><td>May 10, 2022</td><td>Taiwan Institute of Directors</td><td>Green Transformation—Sustainable Management of Supply Chain and Green Operation</td><td>3 hours</td></tr><tr><td>August 09, 2022</td><td>Financial Supervisory Commission</td><td>U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate</td><td>3 hours</td></tr><tr><td>November 11, 2022</td><td>Taiwan Corporate Governance Association</td><td>Measures to Protect Trade Screts and Prevention of Fraud Detection</td><td>3 hours</td></tr><tr><td>November 24, 2022</td><td>Securities and Futures Institute</td><td>An Introduction on Corporation's Management Disputes and Commercial Case Adjudication Act</td><td>3 hours</td></tr></table> | Training date                                                                                                        | Organizer | Course title | Hours of Courses | January 24, 2022 | Taiwan Institute of Directors | Analysis to Prevent Insider Trading and Ways for Enterprise Responses from Practical Cases | 2 hours | May 10, 2022 | Taiwan Institute of Directors | Green Transformation—Sustainable Management of Supply Chain and Green Operation | 3 hours | August 09, 2022 | Financial Supervisory Commission | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate | 3 hours | November 11, 2022 | Taiwan Corporate Governance Association | Measures to Protect Trade Screts and Prevention of Fraud Detection | 3 hours | November 24, 2022 | Securities and Futures Institute | An Introduction on Corporation's Management Disputes and Commercial Case Adjudication Act | 3 hours | No deviation. |
| Training date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Organizer                               | Course title                                                                               | Hours of Courses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                      |           |              |                  |                  |                               |                                                                                            |         |              |                               |                                                                                 |         |                 |                                  |                                                                         |         |                   |                                         |                                                                    |         |                   |                                  |                                                                                           |         |               |
| January 24, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Taiwan Institute of Directors           | Analysis to Prevent Insider Trading and Ways for Enterprise Responses from Practical Cases | 2 hours                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                      |           |              |                  |                  |                               |                                                                                            |         |              |                               |                                                                                 |         |                 |                                  |                                                                         |         |                   |                                         |                                                                    |         |                   |                                  |                                                                                           |         |               |
| May 10, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Taiwan Institute of Directors           | Green Transformation—Sustainable Management of Supply Chain and Green Operation            | 3 hours                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                      |           |              |                  |                  |                               |                                                                                            |         |              |                               |                                                                                 |         |                 |                                  |                                                                         |         |                   |                                         |                                                                    |         |                   |                                  |                                                                                           |         |               |
| August 09, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Financial Supervisory Commission        | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate                    | 3 hours                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                      |           |              |                  |                  |                               |                                                                                            |         |              |                               |                                                                                 |         |                 |                                  |                                                                         |         |                   |                                         |                                                                    |         |                   |                                  |                                                                                           |         |               |
| November 11, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Taiwan Corporate Governance Association | Measures to Protect Trade Screts and Prevention of Fraud Detection                         | 3 hours                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                      |           |              |                  |                  |                               |                                                                                            |         |              |                               |                                                                                 |         |                 |                                  |                                                                         |         |                   |                                         |                                                                    |         |                   |                                  |                                                                                           |         |               |
| November 24, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Securities and Futures Institute        | An Introduction on Corporation's Management Disputes and Commercial Case Adjudication Act  | 3 hours                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                      |           |              |                  |                  |                               |                                                                                            |         |              |                               |                                                                                 |         |                 |                                  |                                                                         |         |                   |                                         |                                                                    |         |                   |                                  |                                                                                           |         |               |

| Evaluation Item                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Implementation Status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Yes                            | No | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                      |
| V. Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers, and suppliers)? Has a stakeholders' area been established in the company's website? Are major Corporate Social Responsibility (CSR) topics that the stakeholders are concerned with addressed appropriately by the Company?                                                                                                                                | Yes                            |    | Aiming for enhanced corporate governance, WPG has announced the email address of the members of the Audit Committee on its website as a direct and smooth channel of communication with "Stakeholders" of the Company such as employees, shareholders, corresponding banks, consumers, and suppliers in accordance with Measures for Receiving Advices and Handling Complaints from Stakeholders. The members of the Audit Committee shall directly respond to issues including but not limited to CSR. The website is:<br><a href="https://www.wpgholdings.com/csr_area/info/zhtw/2485">https://www.wpgholdings.com/csr_area/info/zhtw/2485</a>                                                                                                                                                                                                                                                                                                             | No deviation.                                                                                                        |
| VI. Has the Company appointed a professional shareholder service agency to deal with shareholder affairs?                                                                                                                                                                                                                                                                                                                                                                                             | Yes                            |    | The Company has appointed the Share Affair Agency Department of Capital Securities Corporation to handle the affairs of the Shareholders' Meetings.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | No deviation.                                                                                                        |
| VII. Information disclosure                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                      |
| (I) Does the Company establish a website to disclose information on financial operations and corporate governance?                                                                                                                                                                                                                                                                                                                                                                                    | Yes                            |    | (I) WPG has a public website ( <a href="http://www.wpgholdings.com">www.wpgholdings.com</a> ) in place, regularly disclosing and updating the information regarding Company's finance, operation, and corporate governance for investors' reference.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | No deviation.                                                                                                        |
| (II) Does the Company adopt other means of information disclosure (such as establishing an English language website, delegating a professional to collect and disclose Company information, implement a spokesperson system, and disclose the process of investor conferences on the company website)?                                                                                                                                                                                                | Yes                            |    | (II) WPG has a public website that contains an English webpage and the information thereof is gathered and disclosed by responsible persons. In addition, briefings of investor conference are also available on the website for investors' reference.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | No deviation.                                                                                                        |
| (III) Does the Company publish and report its annual financial report within 2 months after the end of a fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating status for each month before the specified deadline?                                                                                                                                                                                                            | Yes                            |    | (III) The Company publishes and reports its annual financial report within three months after the end of a fiscal year, and publishes and reports its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Publishes and reports before the specified deadline.                                                                 |
| VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, Directors' and Supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by Directors and Supervisors)? | Yes                            |    | (I) For employee rights and employee wellness, please refer to the "Labor Relation" section of the annual report (See page 114~125 for details);<br>(II) WPG is a holding company, engaging neither manufacturing nor selling, hence causing no pollution to the environment; transactions with suppliers are primarily daily general business operations.<br>(III) The Company's Directors have faithfully conducted corporate affairs and perform the duty of care of a good administrator in exercising their powers.<br>(IV) The Company purchases D&O liability insurance for its Directors and management team.<br>(V) The Company has already formulated the Policy and Procedure for Risk Management for WPG Group on Apr. 24, 2012 that specifies risk management policy and risk metrics, and the Policy and Procedure were amended on Jan. 26, 2016; please refer to the "Risk Management" section of this Report (See page 398~401 for details). | No deviation.<br>No deviation.<br>No deviation.<br>No deviation.<br>No deviation.<br>No deviation.                   |



| Evaluation Item                                                                                                                                                                                                                                                                                                           | Implementation Status (Note 1) |    |                                                                                                                                                                                                                                                                                         | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                           | Yes                            | No | Description                                                                                                                                                                                                                                                                             |                                                                                                                      |
|                                                                                                                                                                                                                                                                                                                           |                                |    | (VI) Continuous education of Directors is governed by the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies; please refer to page 43-44 for details.                                                    | No deviation.                                                                                                        |
| IX. Please explain the improvements made in accordance with the Corporate Governance Evaluation results released by the Taiwan Stock Exchange's Corporate Governance Center, and provide the priorities and plans for improvement with items yet to be improved. (not required if the company is not an assessed company) | Yes                            |    | <p>The Company ranked 5% out of all listed companies in 2022 evaluation results.</p> <p>Items for improvements:</p> <ul style="list-style-type: none"> <li>The directors remuneration was listed individually as one of our announcements at Annual General Meeting of 2023.</li> </ul> | No deviation.                                                                                                        |

Note 1: Describe briefly in the implementation status column no matter the result of the operation is "yes" or "no".



## Summary of Directors' Training:

| Title                             | Name        | Date of Taking Office | Training date |            | Organizer                               | Course title                                                                                                                          | Hours of Courses |
|-----------------------------------|-------------|-----------------------|---------------|------------|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|------------------|
|                                   |             |                       | From          | To         |                                         |                                                                                                                                       |                  |
| Chairman                          | Simon Huang | 06/24/2020            | 01/24/2022    | 01/24/2022 | Taiwan Institute of Directors           | Analysis to Prevent Insider Trading and Ways for Enterprise Responses from Practical Cases                                            | 2 hours          |
|                                   |             |                       | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors           | Green Transformation—Sustainable Management of Supply Chain and Green Operation                                                       | 3 hours          |
|                                   |             |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors           | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate                                                               | 3 hours          |
|                                   |             |                       | 10/19/2022    | 10/19/2022 | Taiwan Corporate Governance Association | The 18th (2022) Corporate Governance Summit Forum — Improve the Functions of Directors and Implement Sustainable Corporate Governance | 3 hours          |
| Vice Chairman                     | Frank Yeh   | 06/24/2020            | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors           | Green Transformation—Sustainable Management of Supply Chain and Green Operation                                                       | 3 hours          |
|                                   |             |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors           | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate                                                               | 3 hours          |
| Director                          | K.D. Tseng  | 06/24/2020            | 01/24/2022    | 01/24/2022 | Taiwan Institute of Directors           | Analysis to Prevent Insider Trading and Ways for Enterprise Responses from Practical Cases                                            | 2 hours          |
|                                   |             |                       | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors           | Green Transformation—Sustainable Management of Supply Chain and Green Operation                                                       | 3 hours          |
|                                   |             |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors           | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate                                                               | 3 hours          |
| Director                          | Mike Chang  | 06/24/2020            | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors           | Green Transformation—Sustainable Management of Supply Chain and Green Operation                                                       | 3 hours          |
|                                   |             |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors           | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate                                                               | 3 hours          |
| Director                          | T.L. Lin    | 06/24/2020            | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors           | Green Transformation—Sustainable Management of Supply Chain and Green Operation                                                       | 3 hours          |
|                                   |             |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors           | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate                                                               | 3 hours          |
| Director                          | K.Y. Chen   | 06/24/2020            | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors           | Green Transformation—Sustainable Management of Supply Chain and Green Operation                                                       | 3 hours          |
|                                   |             |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors           | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate                                                               | 3 hours          |
| Corporate Director Representative | Richard Wu  | 06/24/2020            | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors           | Green Transformation—Sustainable Management of Supply Chain and Green Operation                                                       | 3 hours          |
|                                   |             |                       | 06/30/2022    | 06/30/2022 | Taiwan Corporate Governance Association | Practices of Corporate Governance and Securities Regulation                                                                           | 3 hours          |
|                                   |             |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors           | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate                                                               | 3 hours          |
|                                   |             |                       | 08/10/2022    | 08/10/2022 | Taiwan Investor Relations Institute     | ESG Development Trends and Digital Corresponding Strategies                                                                           | 3 hours          |

| Title                | Name            | Date of Taking Office | Training date |            | Organizer                                      | Course title                                                                    | Hours of Courses |
|----------------------|-----------------|-----------------------|---------------|------------|------------------------------------------------|---------------------------------------------------------------------------------|------------------|
|                      |                 |                       | From          | To         |                                                |                                                                                 |                  |
| Independent Director | Jack J.T. Huang | 06/24/2020            | 02/24/2022    | 02/24/2022 | Taiwan Corporate Governance Association        | The Latest Development and Trends of Domestic and International Tax Reform      | 3 hours          |
|                      |                 |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors                  | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate         | 3 hours          |
| Independent Director | Charles Chen    | 06/24/2020            | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors                  | Green Transformation—Sustainable Management of Supply Chain and Green Operation | 3 hours          |
|                      |                 |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors                  | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate         | 3 hours          |
| Independent Director | Weiru Chen      | 06/24/2020            | 05/10/2022    | 05/10/2022 | Taiwan Institute of Directors                  | Green Transformation—Sustainable Management of Supply Chain and Green Operation | 3 hours          |
|                      |                 |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors                  | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate         | 3 hours          |
| Independent Director | Kathy Yang      | 08/03/2021            | 05/30/2022    | 05/30/2022 | Accounting Research and Development Foundation | The Role of Board and Senior Managers in Overseeing ESG Reporting               | 3 hours          |
|                      |                 |                       | 08/09/2022    | 08/09/2022 | Taiwan Institute of Directors                  | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate         | 3 hours          |

3.3.5 Implementation of Corporate Social Responsibility (CSR) and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons

| Evaluation Items |                                                                                                                                                                                                                                                                                         | Implementation status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                  |                                                                                                                                                                                                                                                                                         | Yes                            | No | Summary (Note 2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                      |
| I.               | Does the Company establish a governance structure to promote sustainable development, and set up a dedicated (concurrent) unit to promote sustainable development, which is authorized by the Board of Directors to handle senior management, and supervised by the Board of Directors? | Yes                            |    | <p>I. WPG reorganized the "WPG Corporate Sustainability Committee" into "WPG ESG and Sustainability Committee" (hereinafter referred to as Sustainability Committee) in Feb., 2022 to implement corporate sustainability businesses and policies, with Chief Sustainability Officer as the chairperson, while the members include the chairman of the Holdings company, the CEO of the Holdings company, and an independent director, to effectively set the Group's overall sustainable goals and implement action plan, as well as report conducted plan and drive results to the Board of Directors on a regular basis (at least once a year). Besides, Sustainability Office, a dedicated unit under sustainability director, is set up to be responsible for the planning and promotion of the sustainable development affairs of WPG Holdings, tracking the implementation results, establishing a continuous improvement plan, and reporting to the Sustainability Committee on a quarterly basis.</p> <p>The Corporate Sustainability Committee is divided into 5 function groups, including "Corporate Governance Group", "Environmental Sustainability Group", "Sustainable Talent Group", "Social Participation Group" and "Supply Chain Group". Top-level managers of relevant functional units are in charge of promoting various projects or measures for major issues and integrating into day-to-day business operations.</p> <p>Chief Sustainability Officer and members of the ESG Office reported to the Board of Directors on behalf of WPG Corporate Sustainability Committee three times in 2022. The meeting agenda included the following:<br/> (1) Key takeaways from our ESG Progress Report ;<br/> (2) WPG's group GHG inventory plan and progress report; Reformed sustainability-related policies are proposed by dedicated units.</p> <p>The Board of Directors conducts regular review of ESG-related reports, proposed by Chief Sustainability Officer and members of the ESG Office, of which contains annual ESG plans and goals. The Board of Directors evaluates the plans, monitors the progress and provides revised feedback.</p> | No deviation                                                                                                         |

| Evaluation Items                                                                                                                                                                                                                                        | Implementation status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                         | Yes                            | No | Summary (Note 2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                      |
| II. Does the Company conduct risk assessments on environmental, social, and corporate governance issues related to its operations in accordance with the materiality principle, and implement relevant risk management policies or strategies? (Note 3) | Yes                            |    | <p>II. The company regularly conducts material issue identification and risk analysis in accordance with the principle of materiality. The analysis scope covers the subsidiaries with a shareholding ratio of 50% (includes or above) or that is determined to have control ability compliant with international accounting criteria, and stipulates relevant risk management policies and strategies. Based on the assessed risks, the relevant risk management policies and strategies are stipulated as follows:</p> <p>(I) Environment</p> <p>1. Low Carbon Operation</p> <ul style="list-style-type: none"> <li>• Uphold the concepts of environmental protection, energy-saving, and carbon reduction to realize resource maintenance</li> <li>• Actively promote the construction of smart systems and energy-saving facilities to maximize the use of resources and achieve the goal of energy conservation and carbon reduction</li> <li>• Introduce the environmental management system into the warehousing to establish complete organization, policies, and related management actions to reduce the impact on the environment during operation</li> </ul> <p>(II) Society</p> <p>Workplace Health and Safety</p> <ul style="list-style-type: none"> <li>• Accomplish safety and health work to abide by the occupational safety and health management measures of the Ministry of Labor</li> <li>• Arrange courses regarding promoting public security periodically to strengthen the employees' concept and knowledge of safety management</li> <li>• Provide employees with health check every two years; establish health consultation room; equip professional medical care, and offer daily health consultation and care to the employees</li> </ul> | No deviation                                                                                                         |
|                                                                                                                                                                                                                                                         |                                |    | <p>2. Talent Development</p> <ul style="list-style-type: none"> <li>• Plan and develop training programs for the employees in various ranges and positions, as an important blueprint for talent development</li> <li>• Plan a variety of courses regarding education and training; introduce external resources to broaden employees' learning horizons to let the employees immediately grasp updated digital knowledge and global trends</li> </ul> <p>3. Remuneration Benefits and Employee Care</p> <ul style="list-style-type: none"> <li>• Provide competitive remuneration level through fair appointment, performance management, talent development, and remuneration level survey and analysis</li> <li>• Create a friendly environment in the workplace; abide by various labor laws and regulations; provide full-time employees with complete labor protection, and organize appropriate physical and mental care plans within the scope of available resources</li> </ul> <p>(III) Corporate Governance</p> <p>1. Integrity Management and Compliance with Laws</p> <ul style="list-style-type: none"> <li>• Establish "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct" and "Management Procedures for Prevention of Insider Trading" to protect the rights and interests of investors and companies</li> <li>• Conduct education and publicity on ethical behavior regularly</li> </ul>                                                                                                                                                                                                                                                                                                                                |                                                                                                                      |

| Evaluation Items                                                                                                                                                                                  | Implementation status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                   | Yes                            | No | Summary (Note 2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                      |
|                                                                                                                                                                                                   |                                |    | <ul style="list-style-type: none"> <li>Review regulation compliance regularly to establish internal management policies</li> </ul> <p>2. Information Security, Trade Secrets and Privacy</p> <ul style="list-style-type: none"> <li>Establish "WPG Holdings Information Security Management Principles", " Personal Data Protection Management Guidelines" and the rules and regulations of intellectual property rights (including trade secrets); and passed the ISO27001 information security certification to ensure the information security of the company and the customers</li> </ul> <p>3. Product Trade Compliance</p> <ul style="list-style-type: none"> <li>Control product sales through an assigned trade compliance unit to comply with relevant regulations regarding national, regional, and government export control</li> <li>Routinely hold trade compliance training every year to enhance the employees' familiarity and professionalism with trade compliance, and update the latest regulatory changes in various countries/regions promptly</li> </ul> |                                                                                                                      |
| III. Environmental Topic                                                                                                                                                                          |                                |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                      |
| (I) Does the Company establish proper environmental management systems based on the characteristics of their industries?                                                                          | Yes                            |    | (I) The Company has established environmental/energy management system pursuant to relevant laws and regulations. Linkou warehouse, Hong Kong warehouse, and Singapore warehouse have all introduced ISO 14001 environmental management systems to effectively execute carbon reduction, energy-saving, water-saving, and industrial waste management, thus reducing the impact on the environment during the operation process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | No deviation                                                                                                         |
| (II) Does the Company endeavor to utilize all resources more efficiently and use renewable materials which have a low impact on the environment?                                                  | Yes                            |    | (II) The Company are committed to the promotion and improvement of sustainable environment. Through publicity and implementation, the Company aims to improve the efficiency of resource reuse, achieve its goals in energy conservation and waste reduction, and reduce the impact on the environment. Details are disclosed in the Annual Sustainability Report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | No deviation                                                                                                         |
| (III) Does the Company assess the potential risks and opportunities of climate change for its current and future operations and undertake response measures for issues related to climate change? | Yes                            |    | (III) The Company has completed climate change risk identification and established management plans addressing key risks and opportunities. The Company's climate change risks and opportunities will be constantly assessed, tracked, and managed by the Risk Management Service Office, and reported to the Board of Directors routinely.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | To be studied and explored continuously.                                                                             |

| Evaluation Items                                                                                                                                                                                                                                                         | Implementation status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                          | Yes                            | No | Summary (Note 2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                      |
| (IV) Does the Company calculate the amount of greenhouse gas emission, water consumption, and waste production in the past two years and implement policies to cut down energy and water consumption, carbon and greenhouse gas emissions, and the production of wastes? | Yes                            |    | (IV) In the past two years, the Company has collected statistics on greenhouse gas emissions, water consumption, and total waste weight, and reviewed relevant data to plan various reduction action plans. Details are disclosed in the Company's Annual Sustainability Report and the column of Sustainable Development on official website. The Company supports and responds to the Paris Agreement, committing to achieve Net-Zero Emissions by 2050.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | No deviation                                                                                                         |
| IV. Social Topic                                                                                                                                                                                                                                                         |                                |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                      |
| (I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?                                                                                                              | Yes                            |    | (I) The Company established and published human rights policies to comply with relevant local labor laws, the United Nations human rights conventions, the United Nations Global Compact and, United Nations Guiding Principles on Business and Human Rights, International Labour Convention and OECD's Guidelines for multinational enterprises. The internal regulations also include issues related to human rights protection, training, and promotion, such as Work Rules announcement, 100% employee acknowledgment of Code of Conduct, workplace sexual harassment prevention, etc., integrating the concept of human rights into the employees' daily work.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | No deviation                                                                                                         |
| (II) Has the company established and offered proper employee benefits (including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation appropriately?                                                      | Yes                            |    | <p>(II) The company creates a sustainable and friendly workplace, and provides full labor protection to full-time employees in compliance with the labor laws regulations, and provides appropriate physical and mental care programs within the range of available resources, such as employee birthday leave, employee health check-ups, various kinds of leisure activities, front-end personnel car loans and vehicle maintenance, fuel, depreciation, and other allowances, as well as various wedding and funeral subsidies.</p> <p>The company's compensation system includes "guaranteed compensation" and "variable compensation". Of which, the variable compensation is adjusted in accordance with performance evaluation to encourage working performance. The variable compensation also reflects the company's annual earnings performance to encourage employees.</p> <p>Pursuant to Article 31 of the Company's Articles of Incorporation, where the financial results for the fiscal year show a profit, the Company may, by a resolution adopted by the meeting of Board of Directors, allocate more than 0.01% and less than 5% as employees' remuneration and no more than 3% for the Directors, and report to the shareholders meeting. Nevertheless, when the Company remains accumulated losses, it should reserve the amount in advance to compensate for it.</p> | No deviation                                                                                                         |
| (III) Does the Company provide a healthy and safe work environment and organize training on health and safety for its employees on a regular basis?                                                                                                                      | Yes                            |    | (III) The Company conducts office environment and equipment maintenance, as well as public security publicity and fire drills periodically. To promote employees' health, many measures are taken including giving employees' health checks every two years, establishing medical and nursing health consultation rooms in the office area, equipping professional medical nurses to offer health consulting services, tracking employees' health status through health questionnaires, and periodically arranging health seminars, four cancers on-site screening, physical fitness testing and blood donation activities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | No deviation                                                                                                         |



| Evaluation Items                                                                                                                                                                                                                                                                                                           | Implementation status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                            | Yes                            | No | Summary (Note 2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                      |
| (IV) Does the Company provide its employees with career development and training sessions?                                                                                                                                                                                                                                 | Yes                            |    | (IV) The Company organizes education and training courses (e.g. orientation training/senior manager training courses) for employees of different positions/levels and formulates competency required for each level according to company strategy to align human resource development with business objectives and thereby realizing win-win outcome.                                                                                                                                                                                                                                                | No deviation                                                                                                         |
| (V) Does the Company comply with relevant regulations and international standards regarding customer health and safety, right to privacy, marketing and labeling of its products and services and set up relevant consumer protection policies and complaint procedures?                                                   | Yes                            |    | (V) The Company's sale business sale and supply chain service are in compliance with internal and external regulations; a trade compliance unit for export control is established to ensure the circulation of goods obeys domestic and overseas laws and decrees, and the transactions with counterparties are legal and legitimate.                                                                                                                                                                                                                                                                | No deviation                                                                                                         |
| (VI) Does the Company formulate supplier management policies that require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, and labor rights and request their reporting on the implementation of such issues?                                                    | Yes                            |    | (VI) In order to encourage suppliers to recognize and follow the "WPG Supplier Code of Conduct," and to perform self-assessment through this Code of Conduct, the Company has distributed the "Announcement of WPG Supplier Code of Conduct" and "WPG Supplier Code of Conduct Self-Assessment" to all our general affairs suppliers in Taiwan, wishing to raise awareness of the following five aspects – labor, health and safety, environment, business ethics, and management system.                                                                                                            | No deviation                                                                                                         |
| V. Has the Company prepared and published reports such as its Corporate Social Responsibility report based on internationally recognized guidelines, to disclose its non-financial information? Has the Company received assurance or certification of the aforesaid reports from a third party accreditation institution? | Yes                            |    | V. The Company's 2022 Sustainability Report published in 2023 was prepared in line with the core disclosures of the Global Reporting Initiative Standards 2021 (GRI Standards 2021) issued by the Global Reporting Initiative (GRI), and entrusted Deloitte in Taiwan, in fulfillment of Limited Assurance for specific key indicators based on TWSAE 3000--"Confirmation Cases of Non-historical Financial Information Verification or Review" issued by the Accounting Research and Development Foundation of the Republic of China, regarding ISAE 3000 Revised International Assurance Standard. | No deviation                                                                                                         |

| Evaluation Items                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Implementation status (Note 1) |    |                  | Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons thereof |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|------------------|----------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Yes                            | No | Summary (Note 2) |                                                                                                                      |
| VI. If the Company has established corporate social responsibility principles based on Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, describe the implementation and any deviations from the Principles:<br>According to Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies (now called Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies), the Company has formulated corporate social responsibility best practice principles, and the Company and its subsidiary groups are actively moving in the direction set by the principles. |                                |    |                  |                                                                                                                      |
| VII. Other important information to facilitate a better understanding of the company's Corporate Social Responsibility practices:<br>WPG has so far released CSR report for 9 consecutive years since its first one in 2014. Regarding the sustainable development operation and performance of WPG's relevant enterprises, please refer to the company's sustainable report , please download the report on website: <a href="https://www.wpgholdings.com/csr_area/year_report/zhtw%20">https://www.wpgholdings.com/csr_area/year_report/zhtw%20</a>                                                                                        |                                |    |                  |                                                                                                                      |



## VIII. The Company's Corporate Social Responsibility Practices:

WPG Sustainability Report is prepared pursuant to the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies" and the GRI Standards issued by GRI. The report structure is constructed based on the Company's business development and core competence, thereby fully discloses information to various stakeholders. Through the annual report preparation process, the Company is internally reviewed, which is to be taken as the basis for improvement and planning of next year. Four major subjects "Sustainability Governance, Talent Development, Industry Exchange, and Social Involvement" are summarized below.

### (I) Sustainable Governance Mechanisms

WPG is a pioneer in Taiwan's industrial holding business, with "industrial holdings" business model in line with the principles of competition and cooperation that contributes to the more flexible use of resources in business; the operating strategy, "divide in the front-end to fight; cooperate in the back-end to win" is adopted. With this business background, WPG pays additional attention to the organizational structure and related management regulations of corporate governance.

#### a. Optimized Corporate Governance Structure

On June 24, 2020, the Company elected the sixth Board of Directors at the general shareholders' meeting. The term of office is three years, from June 24, 2020, to June 23, 2023. The sixth Board of Directors has a total of 11 members (including 4 Independent Directors). On top of the electronic components industry, the professional field of the Board covers investment management, strategic management, financial accounting, law, international market views, etc. Among them, there are 4 Independent Directors: Jack J.T. Huang, Chairman of Taiwan Renaissance Platform Co. Ltd., Charles Chen, who previously served as Vice Director of PricewaterhouseCoopers Taiwan, Weiru Chen, Director at Alibaba Business School Industry Network Center, and Kathy Yang, who previously served as Executive Vice President of CDIB Capital Group.

The Board of Directors is responsible for supervising the Company's overall operations and affairs and making decisions on major investments, mergers and acquisitions, and other matters. The Board of Directors has two functional committees, namely the Audit Committee, the Remuneration Committee. The Board of Directors and its affiliated Committees shall notify the meeting date and agenda summary before each meeting. In 2022, the Board of Directors convened a total of 11 meetings, and the attendance rate of Directors reached 98.35% (excluding attendance by proxy). During the meetings, the interests of directors were avoided in accordance with regulations.

| Item No. | Major Board issues in 2022                                                                                                                                                    |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1        | Resolved to donate to WPG Education Foundation                                                                                                                                |
| 2        | Resolved to convene the 2022 Annual Shareholders' Meeting                                                                                                                     |
| 3        | Approved the 2021 Business Report and Financial Statements                                                                                                                    |
| 4        | Approved the proposal of 2021 earnings distribution                                                                                                                           |
| 5        | Approved the proposal of 2021 remuneration of employees and Directors.                                                                                                        |
| 6        | Resolved to invest in common share's private placement of EDOM TECHNOLOGY CO., LTD.                                                                                           |
| 7        | Approved revising the Company's "Articles of Association", "Rules of Procedure for Shareholders Meetings" and "Regulations Governing the Acquisition and Disposal of Assets". |
| 8        | Resolution the approval to revise "Regulations Governing Procedure for Board of Directors Meetings for WPG Holdings Ltd." .                                                   |
| 9        | Resolution the approval of equity acquisition in WPG Electronics (HK) Limited.                                                                                                |
| 10       | Resolution the approval of equity acquisition in WPG South Asia Pte. Ltd.                                                                                                     |
| 11       | Resolution the approval to revise " Corporate Governance Best Practice Principles for WPG Holdings Ltd."                                                                      |
| 12       | Resolution the approval to revise " Procedures for the Prevention of Insider Trading for WPG Holdings Ltd."                                                                   |

WPG attaches great importance to corporate governance, and the highest responsible person for corporate governance is the Chairman of the Company. In addition to the establishment of Independent Directors, committees are also set up to be in charge of major operational issues of the Company. The responsibilities of the Chairman and the President are clearly defined, and the CEO is assumed by a professional manager, who implements the decision of the Board of Directors and takes responsibility for the business performance of the Company within the scope of authorization. In addition, the Board of Directors also supervises the management team and keeps abreast of changes in domestic and international laws and regulations.

**b. Sustainability Organization Structure**

From the core values of "teamwork, integrity, professionalism, and effectiveness", WPG Holdings attaches great importance to all stakeholders and their corresponding major issues. As a distribution service provider, whether maximum value for the customers and win-win situation for the industry chain are created is the key to the Company's sustainable operation and development. In this regard, WPG Holdings established ESG Office in February 2022 and renamed "Corporate Social Responsibility Committee" to "WPG ESG and Sustainable Development Committee", to implement corporate sustainability businesses and policies, with Chief Sustainability Officer as the chairperson. Five functional groups are established under the Committee to implement plans on specific sustainable issues which comply with sustainable development goals of the United Nation, as well as the Company's short, medium, and long-term strategies in order to join hands with the industry chain and the community thus moving towards the sustainable goal of "Grow Together, Strive Together and Win Together".

**(II) Diverse Talent Development Blueprint**

WPG and its subsidiary groups aim to provide professional supply chain services. It is deeply convinced that only with good human capital can outstanding professional services be offered. For

the cultivation of human capital, we have been long devoting into that without hesitation. To nurture talent is like the rice cultivation; only by non-stop irrigation can it have a fruitful future.

a. Professional Skills Development

Thanks to the unique characteristics in business policies and organizational cultures, WPG and its subsidiary groups are provided with different manpower training and development resources, presenting the variety of learning features. The overall training structure is built on the basis of general and professional training programs that are designed to cultivate employees' competitiveness and uplift organizational performance. Management training programs for employees of all levels are carried out step by step in an attempt to construct leadership teams that are expected to lead our organization to face various challenges and achieve sustainable development and growth.

| Course Type                     | Main Participants                | Main Course Content                                                                                                                                                                                                                                                                                           | Course Objective                                                                                                                                                                                                                                                                                    |
|---------------------------------|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>General Courses</b>          | New Recruits                     | Including a presentation of the Company, introduction to its "core values" and relevant introductory courses for basic skills. General training courses cover courses on information management, training of the use of corporate platform systems (e.g. ERP/WMS/WEBFLOW), and education on trade compliance. | To help new recruits understand the Company and integrate in the team to give play to their professional expertise; to help them get familiar with information tools to enhance work outputs and effectiveness.                                                                                     |
| <b>Professional Courses</b>     | Product Staff, Sales Staff, etc. | Plan and configure appropriate professional courses according to the needs of different positions/functions and conduct irregular education and training on the product technologies and business models used by the upstream and downstream supply chains.                                                   | Establish a professionally competitive front-end service team; in other functions, plan and implement corresponding training courses with the development of professional trends and the formulation of relevant laws and regulations, continuously improving employees' professional capabilities. |
| <b>Managerial Skill Courses</b> | Middle and Junior Supervisors    | Planning and arrangement of courses for high, middle and basic-level management, trends and thinking.                                                                                                                                                                                                         | Continuously develop the ability of senior, middle and junior supervisors based on organizational development, business competition, manpower layout, and other needs.                                                                                                                              |

Training courses launched in 2022 :

|                                                           | Number of courses | Person-time |
|-----------------------------------------------------------|-------------------|-------------|
| General courses                                           | 299               | 25,756      |
| Managerial skills courses                                 | 35                | 8,082       |
| Professional courses                                      | 743               | 52,056      |
| Sub-total                                                 | 1,082             | 85,894      |
| Number of trainees                                        | 4,797             |             |
| Per capita                                                | 17.91             |             |
| *The above data are all from internal training materials. |                   |             |

b. Organizational core competencies development

WPG Holdings promotes the core values of "Team, Integrity, Professionalism, and Efficiency" to agglomerate a team consensus and serve as a criterion for all WPG's members to follow. It also connects professionals from all aspects both internally and externally through virtual team projects to discuss major issues and implementations. We facilitate team growth through communication and trials, combining each other's practical experience with the theoretical framework, which enables mutual inspection and introspection, thereby achieving double-loop learning.

c. The succession plan of management

To meet the needs of the Company's sustainable operation, the succession plan of important management team is discussed by the talent evaluation committee from the perspective of business strategy and career development every year. In addition to increasing the depth and breadth of experience through cross-field and regional rotation, the successors' fulfillment of the Company's core values (teamwork, integrity, professionalism, effectiveness) is valued as well. The "Elite Class" of WPG Holdings is also held, aiming at planning for senior managers to prepare for the transition and change their mentality and thinking in the face of the VUCA environment. Meanwhile, we cultivate a succession echelon, conduct training and development planning for key talents, handle management studies, strengthen competence advantages, and prepare for the perfect backup.

d. Performance appraisal and remuneration policy

WPG's performance appraisal is a mechanism that connects organizational goals, personal goals, and personnel development. All performance records will be used as the basis for subsequent human capital development programs, thereby improving overall organizational effectiveness. Employees' professionalism and work performance are used as the benchmark for performance evaluations and promotions.

WPG strives to formulate a human capital development policy and remuneration policy under the premise of a win-win for the Company, employees, investors, and other stakeholders. These two policies are two important cornerstones for establishing a sustainable workplace which are listed in the company's Sustainable Goal (ESG). WPG's talent policy emphasizes both talent attraction and retention, as well as performance and growth. Therefore, in addition to emphasizing clear rewards and punishments, fairness, and openness, our remuneration policy follows three main principles: "Salary calculation based on position", "Salary adjustment based on capability", and "Performance appraisal award"

■ Salary calculation based on position

The foundation of WPG's guaranteed compensation is based on the position, knowledge, and skills, to maintain a certain degree of attractiveness in the talent market.

■ Salary adjustment based on capability

WPG continuously strengthens employees' capability through training and technology empowerment to maintain their competitiveness in the changing era.

■ Performance appraisal award

"Teamwork" is among WPG's core value. Therefore, the foundation of WPG's variable compensation is firstly based on the company's overall profit and performance, then subteam's and individual's performance results.

(III) Promotion of Interaction with Industry

"To Become the First Choice of Industry. To Become the Benchmark of Distribution." is the vision of WPG and its subsidiaries. In terms of the Company's core competencies, we continue to provide professional supply chain services, improve internal processes to meet customer needs and optimize operational processes to improve service efficiency. We apply knowledge of the organization's core competencies to the industry chain, public organizations, and even academic institutions. We hope to share the practical cases of supply chain management through a systematic framework, and through continuous knowledge exchange and refinement, we can establish a benchmark example in learning and achieve the sustainable goal of professional enterprise management and industrial value enhancement.

a. Sharing of Industrial Professional Knowledge

The multiple roles of B2B sales, technical services, and central logistics, played by WPG and its subsidiaries aim to provide excellent supply chain management services, and also strive to manage the brand image of WPG and its subsidiaries, whether in the industry chain, academic units or technical forums, which also includes all types of information channels, both physical and digital.

■ Create promotion benefits through inbound marketing

In response to the trends of the online community, WPG created and continued to promote inbound marketing, introduced interactive mobile marketing services, continuously optimized the WPG program and the digitally transformed content marketing, and made good use of KOL's influence to engage a full-coverage community interactive marketing mechanism. At the same time, WPG established the "Inbound Marketing Value" which reflects the marketing promotion benefits with detailed figures. As of the end of 2022, the cumulative value of promotion benefits exceeded 1.11 billion RMB, an increase of 3% compared with the same period of last year through social media resources such as WeChat and Weibo accounts, WeChat Moments, forums, etc., and viral marketing activities to enhance the effectiveness of self-media operations. Through the promotion of the following marketing activities, WPG offered valuable services that included joint marketing of both upstream and downstream and continued to strengthen customer loyalty.

|             |       |                                                                                                                                                                                                                                                           |
|-------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WPG account | Weibo | The number of fans and the number of posts ranked top one of the industry; number of followers reached 633,488. Updates 3-5 tweets daily; content includes monthly popular solution, industry trends, technology news, workplace skills, and WPG updates. |
|-------------|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WPG WeChat account                       | The first IC WeChat account, leading WeChat account management among peers in the industry with 215,293 accurate fans, updates the latest information weekly on a regular basis. Besides, the account raises public's understanding of trends in IC industry from profound articles on market trends by using simple language. In 2022, it accumulated more than 620,489 readings and 63,047 shares. Meanwhile, it manages the engineer community and demonstrates technical support capabilities continuously through subscription accounts "DaDaTong" launched by WPG WeChat account. The accounts are managed by the technical team to provide solutions for engineers with incisive and intuitive arguments; establish HR service account to provide timely recruitment news for those in need. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| News exposure                            | The total number of exposures for WPG's annual news is nearly 9,281, and the number of exposures of our solutions on the news reached more than 2,956 times annually, which ranked first in the industry and 13 times ahead of the second place.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Internal and External Marketing Activity | To continually increase WPG brand power and co-branding strategy, strengthen innovative services it has been holding 3 internal and external brand marketing activities since 2022.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                                          | I.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | To cultivate Taiwan women's golf and implement the ESG concept, WPG held the women's golf open championship (WPG Ladies Open) in 2020. Moreover, it maintains a friendly relationship with the original factories/customers by providing co-branded marketing services, then increases the cohesion between upstream and downstream, so as to strengthen its external brand power. The annual event will be coming into the third time in 2022 with 43 original factories and customers participation. The former sponsored up to NT\$5.2 million. The event was disseminated through commercial films by using pictures and texts on online/offline streams, and the total number of touches for the overall event promotion exceeded 11 million times.            |
|                                          | II.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | To establish communication platform covering cross-group and cross-production lines is the goal. Therefore, "Industry Communication Meeting 2.0" in 2021 is restarted with topics that colleagues are concerned about through consultation mechanism, then invited analysts to give briefings, and combine the promotion of cross-strait local market industry reports to increase the sources for colleagues to gain professional knowledge. In 2022, we collaborated with six resource centers on both sides of the Taiwan Strait (including DIGITIMES, MIC, National Taiwan University of Science and Technology, Xinmou, CCID, and Gasgoo), and conducted 10 rounds (22 sessions) with a total of 28,618 participants and gained up to 98.8% satisfaction rate. |
|                                          | III.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | With the 2026 goal of deepening WPG brand value and strengthening the internal brand power, we see CEO's 24-words motto as our principle and plan MyDay live-stream. In 2022, we kept optimizing the theme and deepening the content, conveyed the simultaneous resonance "Leading group stories, seeking internal main axis." Five sessions were held with over 18,000 views. Average employee participation rate reached more than 98.3%.                                                                                                                                                                                                                                                                                                                         |

#### ■ Public association support and participation

Through holding different kinds of events, we provide a platform with instant communication service to assist members to share resources of knowledge, increase

members' opportunities for external strategic alliances, with the expectation to raise the voice and status of the distributors in Taiwan among the industrial network communities. Based on the core expertise of the group, we actively assist in promoting copious supply chain management-related activities, to fulfill corporate social responsibilities.

b. Industry and Academic Collaboration

WPG continues to launch a series of industry and academic collaboration projects to ensure that the students acquire abilities needed by the industry aside from their studies, and combine our own business operations and supply chain management expertise with the commitment to sharing industry knowledge and contributing to the society.

■ National Chengchi University (NCCU) "Supply Chain Management" Industry and Academic Collaboration Project

Since 2010, WPG Holdings Ltd. has collaborated with NCCU College of Commerce and sponsored the "Supply Chain Management Industry and Academic Collaboration Project." It has entered its twelfth year in 2022. The project aims to integrate theory and practice and systematically organize the know-how of Taiwan's supply chain management; and secondly, to create a complete set of teaching materials and teaching plans for supply chain management, with the ultimate goal of adding supply chain management talents to the Taiwan Industry.

The reason that supply chain management talents are difficult to nurture in an academic setting is that it is a cross-disciplinary management science while relevant courses are scattered in various departments of the College of Commerce. Due to the positioning of the various departments, the individual departments cannot offer more complete, professional, and market-oriented training. Therefore, WPG participated in the NCCU College of Commerce's academic programs. Combining WPG's market experience, the rich teaching experience of NCCU College of Commerce, and existing curriculum resources of various departments, customized and innovative curriculum for supply chain "Supply Chain Management Credit Program" is created to nurture supply chain management talents for Taiwan Industry.

| <b>Phase</b> | <b>Project Period(Year)</b> | <b>Cooperation Content</b>                                                                                                                      |
|--------------|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Phase 1      | 2010~2012                   | WPG provides resources, and supports the establishment of supply chain management industry-academia cooperation courses                         |
| Phase 2      | 2013~2015                   | WPG shared the practical cases in the courses to let the students fully understand the strategic plan of the enterprise in the chain management |
| Phase 3      | 2016~2019                   | The students physically visited WPG warehouse in Linkou                                                                                         |
| Phase 4      | 2020~2022                   | Establishing “WPG scholarship” to encourage students to participate in the internship plan.                                                     |

■ WPG Scholarship for unprivileged students" of the Department of Electrical Engineering and Computer Science of Taipei University of Technology

Since 2011, the "WPG Scholarship for unprivileged students" has been established in the Department of Electrical Engineering and Computer Science of Taipei University of Technology to help unprivileged and impoverished students through financial assistance. Thanks to the scholarship so that they will not drop out of school due to the poor or accidents of the family, and complete their studies with the aid of social care. To encourage the students with their professional abilities development, the scholarship application method will be updated of the 2020 academic year, and the study plan will be listed as the selection criteria. It is expected that the scholarship will not only help the recipients have economic relief, but also assist the recipients in their growth of learning. In 2022, five scholarship applications were accepted every semester.

■ National Yunlin University of Science and Technology “Information Technology Internship Project”

Since 2017, WPG has collaborated with the National Yunlin University of Science and Technology on IT internship project with the aim to cultivate professionals for the industry and enable students apply what they have learned from school at workplace. Through experience at workplace, students may explore different possibilities and experience diverse challenges. The process of experiencing corporate work assists students in determining the direction of career development. In 2022, a total of 8 interns from the National Yunlin University of Science and Technology were recruited, of which 4 were directly transferred to full-time employees after the internship, achieving the goal of seamless transition from campus to workplace.



#### (IV) Sustainable Social Engagement

Through "WPG Holdings Education Foundation", WPG invests resources to care for the society and fulfill social responsibility. By sharing information and linking resources, the organization's resources are effectively delivered to those who need assistance, such as the underprivileged community groups in the society.

|                        | Meaning                                                                                                                                                                                                                                                 | Action                                            | Public welfare performance in 2022                                                                                                  |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Environmental Friendly | Advocate environmental protection, energy conservation and carbon reduction. Participate in a number of green actions, and drive employees to participate in it through the strength of the organization and practice what we preaches and experience.. | Adopted a community park green space              | Adopted two park green spaces.                                                                                                      |
|                        |                                                                                                                                                                                                                                                         | WPG took carbon reduction action by giving gifts. | 2,071 used things were collected and donated to social welfare organizations. Then carbon emissions reduced by a total of 1,715 kg. |

|                |                                                                                                                                                                                                                                     |                                                                                                                                                          |                                               |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| Social Benefit | Focus on the disadvantaged care and theatrical performance education. Providing resources to assist disadvantaged groups or public welfare organizations, and apply them to charity, emergency and other public welfare activities. | Supported the youth empowerment program by Puren Youth Care Foundation.                                                                                  | Total contribution amount: NT\$1.2 million    |
|                |                                                                                                                                                                                                                                     | Support the Youth Center Dream Benchmark School – Academic Enhancement Project by Dream Home Education Foundation                                        | Total contribution amount: NT\$200,000        |
|                |                                                                                                                                                                                                                                     | Supported the 30th Visually Impaired Music Festival "EYE Music ETF" held by the Taipei City Visually Impaired Music Cultural and Educational Foundation. | Total contribution amount: NT\$150,000        |
|                |                                                                                                                                                                                                                                     | Supported the visually impaired angel public benefit tour by Spread Wings Choir.                                                                         | Total contribution amount: NT\$200,000        |
|                |                                                                                                                                                                                                                                     | Launched a used computer fundraising campaign to donate the Puren Youth Care Foundation.                                                                 | A total of 5 second-hand laptops were raised. |

|  |  |                                                                                                          |                                                         |
|--|--|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
|  |  | Donated new sets of tables and chairs to social welfare units.                                           | A total of four non-profit organizations were benefited |
|  |  | Launched a used shoe collection campaign to give Step30 International Ministries.                        | The pair number of used shoes collected was 193.        |
|  |  | The community chest of Charity Visually Impaired Massage was donated to Taiwan Foundation for the Blind. | Employees and the Company jointly donated NT\$30,000.   |
|  |  | Holding annual year -end Christmas shoebox collection campaign for five consecutive years.               | 239 Box the Love Christmas gifts were collected.        |

|                     |                                                                                                                       |                                                                                                    |                                                                 |
|---------------------|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
| Technical Nurturing | Focused on technical nurturing, paying attention to the development of technical careers and supported sports events. | Supported Taiwan Professional Golf Association in organizing the 3rd WPG Ladies Open.              | A total of 75 domestic players participated in the competition. |
|                     |                                                                                                                       | Long-term sponsorship of the PGA Tech Cup Tour.                                                    | Total contribution amount: NT\$300,000                          |
|                     |                                                                                                                       | Supported the Young Female Golfer Development Program and backed professional and amateur players. | Total contribution amount: NT\$2.3 million                      |

## 3.3.6 Ethical Corporate Management and Deviations from “the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and Reasons

| Item  |                                                                                                                                                                                                                                                       | Implementation Status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Corporate Governance Implementation Status and Deviations from the Corporate Governance of Listed Companies and Reasons : No deviation |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|       |                                                                                                                                                                                                                                                       | Yes                            | No | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                        |
| I.    | Establishment of ethical corporate management policies and programs                                                                                                                                                                                   |                                |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                        |
| (I)   | Does the Company declare its ethical corporate management policies and procedures in its guidelines and external documents, and do the Board of Directors and management work proactively to implement their commitment to those management policies? | Yes                            |    | (I) On January 29, 2013, the Company established the " Ethical Corporate Management Best Practice Principles (Amended by the Board of Directors on October 26, 2021)" and the "Code of Ethical Conduct (Amended by the Board of Directors on October 26, 2021)" in accordance to the templates announced by the competent authority. In terms of the colleagues of the Company, WPG established the "Employee Code of Conduct", which stipulates explicitly the rules of practice, reporting mechanism, and disciplinary provisions, as an essential reference for the Company to implement honest management, thereof “Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct" are published on the Company's website as a declaration of the commitment to the policy of honest management to the public. | No deviation                                                                                                                           |
| (II)  | Does the Company establish appropriate precautions against high-potential unethical conduct or listed activities stated in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?        | Yes                            |    | (II) The Work Rules of the Company expressly stipulate that employees should be punished if they violate work rules and ethics. Using position’s privilege to request or accept rebates from suppliers or interested parties, thus impacts the Company’s goodwill constitutes a major violation of the labor contract. To serve as a measure to prevent unethical behaviors, the Company has set up an Audit Committee-dedicated mailbox to handle complaints and supervise relevant control mechanisms in accordance with the "Measures for the Audit Committee to Handle Complaints and Suggestions by Interested Parties." for all employees.                                                                                                                                                                                         | No deviation                                                                                                                           |
| (III) | Has the Company established policies to prevent unethical conduct, with clear statements regarding relevant procedures, conduct guidelines, punishments for violation, and rules for appeal, and does the Company regular review such policies?       | Yes                            |    | (III) The company has established "Employee Code of Conduct" and "Employee Service Consent Form" to promote ethical behavior guidelines. The content includes confidential information guideline, insider trading prohibition guidelines...etc. It is clearly stated in Work Rules that employee will be subject to relevant disciplinary actions if any violation of ethical behavior guidelines is found.                                                                                                                                                                                                                                                                                                                                                                                                                              | No deviation                                                                                                                           |
| II.   | Fulfillment of Ethical Corporate                                                                                                                                                                                                                      |                                |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                        |
| (I)   | Does the Company evaluate business counterparty’s ethical records and include ethics-related clauses in business contracts?                                                                                                                           | Yes                            |    | (I) To comply with the management requests of downstream customers, the Company signed the Code of Ethical Conduct and provided supervision to ensure compliance with the principle of ethics during business operations and that no illegal conducts or actions for private gains due to greed arise.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | No deviation                                                                                                                           |
| (II)  | Has the Company established an exclusively dedicated unit under the Board to implement ethical corporate management, and report to the Board on a regular basis (at least once a year)?                                                               | Yes                            |    | (II) In order to implement the principle of ethical corporate management, the Company established the "Ethics Committee", with the CEO of the Company and the CEOs of each group serving as members. The committee is held quarterly to discuss the issue of ethical conduct. Work progress is reported to the Board of Directors at least once a year. The reporting date to the Board of Directors in 2022 was on July 26 <sup>th</sup> .                                                                                                                                                                                                                                                                                                                                                                                              | No deviation                                                                                                                           |
| (III) | Has the Company formulated policies on preventing conflicts of interest, provided adequate channels of declaration, and implemented them?                                                                                                             | Yes                            |    | (III) The "Ethical Corporate Management Best Practice Principles" and "Code of Ethics" formulated by the Company have provisions that expressly stipulate the avoidance of interest, whistleblowing, and punishment, which serve as the basis for implementation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | No deviation                                                                                                                           |

| Item                                                                                                                                                                                                                                                                                                                                                                                             | Implementation Status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Corporate Governance Implementation Status and Deviations from the Corporate Governance of Listed Companies and Reasons : No deviation |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                  | Yes                            | No | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                        |
| (IV) Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit? | Yes                            |    | (IV) Relevant management units of the Company conduct regular operation inspections, and accounting units conduct quarterly/annual field audits with external accounting firms to ensure that the Company's management complies with relevant laws and regulations, and the ideals of integrity management; the audit units, apart from periodic internal audit, also regularly conduct internal control self-assessment with relevant units.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | No deviation                                                                                                                           |
| (V) Does the Company regularly hold internal and external educational training on ethical corporate management?                                                                                                                                                                                                                                                                                  | Yes                            |    | (V) The Company has established "Employee Code of Conduct". In addition to acquiring employee signatures towards Employee Code of Conduct, the Company continues to promote Employee Code of Conduct to new employees to strengthen awareness of ethical management. An internal platform that promotes the code of conduct has been established and online training covering ethical behavior guidelines was conducted. The themes comprised specific methods to implement the code of conduct. In 2022, three sessions of education and training were held on issues related to integrity management for all the employees. <ul style="list-style-type: none"> <li>Publicity on the Legal System of "Prevention of Job-related Crimes" by the Economic Investigation Brigade</li> <li>Illustration of Legal Norms and Practical Cases on Dishonest Behaviors</li> <li>ICAC "Integrity and Law-abiding" Integrity Seminar</li> <li>Legal Norms of Analysis of insider Trading from Practical Cases</li> </ul> | No deviation                                                                                                                           |
| III. Status of enforcing whistle-blowing systems in the company                                                                                                                                                                                                                                                                                                                                  |                                |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                        |
| (I) Does the Company have a specific whistle-blowing and reward system, establish convenient whistle-blowing channels, and assign the appropriate personnel to deal with the reported personnel?                                                                                                                                                                                                 | Yes                            |    | (I) The company has established employee opinion mailbox and an audit committee-dedicated mailbox for any complaints by internal and external stakeholders. But there is no relative whistleblowing reward policy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No deviation                                                                                                                           |
| (II) Has the Company established standard operating procedures for the reported matters and the relevant confidential mechanism?                                                                                                                                                                                                                                                                 | Yes                            |    | (II) Set up employee opinion mailbox, where dedicated unit receives employee complaints and submits them to corresponding units according to the content of the case. Furthermore, audit committee-dedicated mailbox and "Stakeholder complaints and opinions handling procedures for Audit Committee" are established as basis for this aspect of matt Stakeholder complaints and opinions handling procedures for the company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | No deviation                                                                                                                           |
| (III) Does the Company take measures to protect the whistle-blowers from improper infringement due to reporting?                                                                                                                                                                                                                                                                                 | Yes                            |    | (III) The company independently handles and responds to complaints in accordance with the provisions of "Stakeholder complaints and opinions handling procedures for Audit Committee" to ensure whistleblower's identity being kept confidential.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | No deviation                                                                                                                           |

| Item |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Implementation Status (Note 1) |    |                                                                                                                                                                                                                                                                                                                                                                                    | Corporate Governance Implementation Status and Deviations from the Corporate Governance of Listed Companies and Reasons : No deviation |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Yes                            | No | Description                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                        |
| IV.  | Enhanced disclosure of corporate social responsibility information                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                |    |                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                        |
| (I)  | Does the Company disclose its Ethical Corporate Management Best Practice Principles and the results of its implementation on the Company’s website                                                                                                                                                                                                                                                                                                                                                                              | Yes                            |    | (I) "Ethical Corporate Management Practice Principle " and "Code of Ethical Conduct" are published on company's website. There is also a dedicated investor section on the website which discloses corporate governance organization and important internal regulations. Designated persons are responsible for collecting information and accepting inquiries on related matters. | No deviation                                                                                                                           |
| V.   | If the Company has its own Ethical Corporate Management Best Practice Principles formulated according to the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please explain any departure from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies:<br>The Company has its own Ethical Corporate Management Best Practice Principles and drafts its Ethical Corporate Management Procedures and Code of Conduct in accordance with these Principles. |                                |    |                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                        |
| VI.  | Any important information to better understand the Company’s implementation of ethical corporate management (for example, any review or amendment to the Ethical Corporate Management Best Practice Principles of the Company): None.                                                                                                                                                                                                                                                                                           |                                |    |                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                        |

### 3.3.7 The Company Shall Disclose How To Search for Its Corporate Governance Best-Practice Principles or Related Regulations.

The company has formulated its Corporate Governance Code of Conduct, for relevant information please refer to the Company's internal regulations

([http://www.wpggholdings.com/investors/corporate\\_governance/zhtw/major-internal-policies](http://www.wpggholdings.com/investors/corporate_governance/zhtw/major-internal-policies)). For information on the implementation status of corporate governance, please refer to the description of "Corporate Governance" in this annual report page 37 ~ 42.

### 3.3.8 Other Significant Information that will Provide a Better Understanding of the State of the Company's Implementation of Corporate Governance may also be Disclosed.

- I. The Company has formulated the Management Procedures for “Operational Procedures for Material Information Processing and Prevent Insider Trading” the Company's material inside information and informed all Directors, managers, and employees. These Procedures and relevant cautions are displayed on the top of the Company's website for all staff to follow and avoid violations or insider trading.
- II. The latest versions of the Directions Concerning Securities Market Regulatory Matters for TWSE Listed Companies and Their Directors, Supervisors, and Major Shareholders and Guide to Regulations Governing Independent Director prepared by TWSE are distributed to insiders such as Directors and managers of the Company when they take office to assist them to comply with the relevant requirements.
- III. MOPS Website: <https://mops.twse.com.tw/mops/web/index>
- IV. The Company's website: <http://www.wpggholdings.com>



### 3.3.9 Execution Status of Internal Control Systems

#### I. Internal Control Statement

WPG Holdings Limited

Management's Reports on Internal Control

Date: March 28, 2023

Based on the findings of self-assessment, WPG Holdings Limited states the following with regard to its internal control system during the year 2022:

1. WPG is responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and WPG takes immediate remedial actions in response to any identified deficiencies.
3. WPG evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinbelow, the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities.
4. WPG has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the findings of such evaluation, WPG believes that, on December 31, 2022, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), to provide reasonable assurance over our operational effectiveness and efficiency, reliability, timeliness, transparency of reporting, and compliance with applicable rulings, laws and regulations.
6. This Statement will be an integral part of WPG's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement has been passed by the Board of Directors in their meeting held on March 28, 2023, with none of the eleven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

WPG Holdings Limited

Chairman Simon Huang  
General Manager Mike Chang

II. The CPA's Review Report shall be Disclosed if any CPA is Commissioned to Review the ICS: None.

3.3.10 In the most recent year up to the publication date of this annual report, there has been punishment of the Company or its internal personnel, or punishment of the company to its internal personnel for violating internal control system regulation, and its punishment results might have significant influence on shareholders' equity or securities' price, the punishment, main deficiencies and improvements shall be listed: None.

3.3.11 Major resolutions adopted by the Shareholders' Meeting and the Board of Directors in the most recent year up to the publication date of this annual report

I. The 2022 annual Shareholders' Meeting of WPG Holdings Ltd. was held on MAY 26, 2022, in Taipei City, and the resolutions passed by attending shareholders are as follow:

i. To accept 2021 Business Report and Financial Statements.

Implementation status: Resolved as proposed.

ii. To approve 2021 profit distribution proposal

Implementation status: JULY 25, 2022 was set as the ex-dividend record date and dividends were distributed on August 15, 2022. (Cash dividend per share: NT\$3.5; The allotted cash for each Preferred Share A is NT\$2) °

iii. To Approve the Amendment of the Company's " Articles of Association " .

Implementation status: Passed by resolution, announced on the Company's website on MAY 26, 2022, where related matters were handled in accordance with the amended regulations.

iv. To Approve the Amendment of the "Company's Procedural Rules of Shareholders' Meeting"

Implementation status: Passed by resolution, announced on the Company's website on MAY 26, 2022, where related matters were handled in accordance with the amended regulations.

v. Approve the amendment of the Company's " Procedures for Acquiring or Disposing of Assets " .

Implementation: The resolution was passed, then published on the Company's website on May 26, 2022 and handled in accordance with the revised procedures.

II. The Company's Board of Directors held 14 meetings in total in 2022 and up to the publish date of this annual report, summaries of important resolutions are as follow:

i. Resolved to convene 2022 annual Shareholders' Meeting

ii. Approved 2021 annual Business Report and Financial Statements

iii. Approved 2021 profits distribution proposal

iv. Approved 2021 employees' and directors' remuneration

- v. Approved donations to WPG Holdings Education Foundation
- vi. Approved amendments to “Articles of Incorporation”, “Procedural Rules of Shareholders' Meeting”, “Procedure of Acquiring or Disposing Asset”;
- vii. Resolved to invest in the private placement of common shares of "EDEN Technology Co., Ltd." ;
- viii. Resolved to revise the Company's " Corporate Governance Best Practice Principles ", Regulations Governing Procedure for Board of Directors Meetings and Operational , Procedures for Material Information Processing and Prevent Insider Trading ;
- ix. Resolved the acquisition of equity assets in WPG Electronics (HK) Limited and WPG South Asia Pte. Ltd. ;
- x. Resolution to convene the 2023 Annual General Meeting of Shareholders ;
- xi. Approved the 2022 Business Report and Financial Statements ;
- xii. Approved the Annual Surplus Distribution of 2022 ;
- xiii. Resolution the Annual Employee Remuneration and Director Remuneration Bill of 2022 ;
- xiv. Proposed to change of the Company's name and revise Articles of Association.

3.3.12 Any Dissenting Opinion on the Material Resolutions Passed by the Directors or Supervisors in the Most Recent Year up to the Publication date of this Annual Report. The principal content thereof: None.

3.3.13 Resignation and Dismissal of Personnel involved in the Financial Report including the Company's Chairman, President, Accounting Manager, Financial Manager, Internal Audit Manager, Head of Corporate Governance and R&D Manager in the Most Recent Year up to the Date of this Annual Report: None.

### 3.4 Information Regarding Certified Public Accountant Fees

#### 3.4.1 Audit Fees

Unit: NT\$ thousands

| Accounting Firm | Name of CPA   |                  | Audit Period            | Audit Fee (Note) | Non-audit fee (Note) | Total  | Remarks                                                                                                                                                                                           |
|-----------------|---------------|------------------|-------------------------|------------------|----------------------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PwC             | Lin, Chun-Yao | Chou, Chien-Hung | 2022/01/01 ~ 2022/12/31 | 40,930           | 26,794               | 67,724 | The non-audit fees include tax compliance services, transfer pricing, tax consultation and declaration of organization, consulting services such as investment structure and operation in Europe. |

Note : It includes service fees for domestic and overseas subsidiaries.

3.4.2 When the Audit Fees Decrease 10% or More than the Last Fiscal Year, the Company must Disclose the Decreased Amount, Ratio, and Reason: Not applicable.

3.5 Information on CPA Replacement: Not applicable.

3.6 The Company's Chairman, President, or Manager in Charge of Finance or Accounting Operations Holding Any Position at the Company's Independent Audit Firm or Its Affiliates in the Most Recent Year: None.

**3.7 Stock Trade and/or Stock Pledge by the Company's Directors, Supervisors, Management Team, and Shareholders with 10% Shareholdings or More in the Most Recent Year or as of the Date of this Annual Report:**

Unit: Shares

| Title                  | Name                                                             | 2022                       |                              |                            |                              | Current year until Apr 27  |                              |                            |                              |
|------------------------|------------------------------------------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|
|                        |                                                                  | Common shares              |                              | Preferred Shares A (Note1) |                              | Common shares              |                              | Preferred Shares A (Note1) |                              |
|                        |                                                                  | Net Change in Shareholding | Net Change in Shares Pledged | Net Change in Shareholding | Net Change in Shares Pledged | Net Change in Shareholding | Net Change in Shares Pledged | Net Change in Shareholding | Net Change in Shares Pledged |
| Chairman               | Simon Huang                                                      | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice Chairman          | Frank Yeh                                                        | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Director               | K.D. Tseng                                                       | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Director/<br>President | Mike Chang                                                       |                            | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Director               | T.L. Lin                                                         | (1,000,000)                | —                            | —                          | —                            | (1,000,000)                | —                            | —                          | —                            |
| Director               | K.Y. Chen                                                        | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Director               | Fullerton Technology Co., Ltd.<br>Richard Wu,<br>Representative, | (1,000,000)                | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
|                        |                                                                  | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Independent Director   | Jack J.T. Huang                                                  | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Independent Director   | Charles Chen                                                     | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Independent Director   | Weiru Chen                                                       | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Independent Director   | Kathy Yang                                                       | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice President         | I.J. Hsu                                                         | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice President         | Cliff Yuan                                                       | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |

| Title          | Name        | 2022                       |                              |                            |                              | Current year until Apr 27  |                              |                            |                              |
|----------------|-------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|------------------------------|
|                |             | Common shares              |                              | Preferred Shares A (Note1) |                              | Common shares              |                              | Preferred Shares A (Note1) |                              |
|                |             | Net Change in Shareholding | Net Change in Shares Pledged | Net Change in Shareholding | Net Change in Shares Pledged | Net Change in Shareholding | Net Change in Shares Pledged | Net Change in Shareholding | Net Change in Shares Pledged |
| Vice President | Scott Lin   | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice President | Jazz Chuang | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice President | David Li    | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice President | Lucia Tai   | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice President | Tracy Cheng | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice President | Jessica Lee | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |
| Vice President | Victor Lu   | —                          | —                            | —                          | —                            | —                          | —                            | —                          | —                            |

Note: Preferred shares A of the Company were issued on September 18, 2019.

3.7.1 Stock Trade with Related Party: None.

3.7.2 Stock Pledge with Related Party: None.

### 3.8 Top 10 Shareholders Who are Related Parties, Spouses, or within Second Degree of Kinship to Each Other

Apr 2, 2023(book closure date) / Unit: Share;%

| Name                                                                                                                                                                            | Current Shareholding |           | Spouse and Minor Shareholding |        | WPG Shareholding by Nominee Arrangement |        | Name and Relationship between top 10 shareholders with relationship specified under SFAS No. 6. |              | Remarks |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|-------------------------------|--------|-----------------------------------------|--------|-------------------------------------------------------------------------------------------------|--------------|---------|
|                                                                                                                                                                                 | Shares               | %         | Shares                        | %      | Shares                                  | %      | Name                                                                                            | Relationship |         |
| Taishin International Commercial Bank Co., Ltd. is entrusted with the custody of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF Securities Investment Trust Fund | 139,032,000          | 8.28      | —                             | —      | —                                       | —      | —                                                                                               | —            | —       |
| CTBC Bank Co., Ltd. as custodian of Yuanta Bank                                                                                                                                 | 78,804,246           | 4.69      | —                             | —      | —                                       | —      | —                                                                                               | —            | —       |
| Simon Huang                                                                                                                                                                     | 41,411,507           | 2.47      | 10,523,167                    | 0.63   | —                                       | —      | —                                                                                               | —            | —       |
| Taiwan Life Insurance Co., Ltd.<br>Representative: Taike Zhang                                                                                                                  | 34,779,000<br>—      | 2.07<br>— | —<br>—                        | —<br>— | —<br>—                                  | —<br>— | —<br>—                                                                                          | —<br>—       | —<br>—  |
| New Regulation for Labor Retirement Fund                                                                                                                                        | 32,576,685           | 1.94      | —                             | —      | —                                       | —      | —                                                                                               | —            | —       |
| Fubon Life Insurance Co., Ltd.<br>Representative: Richard M. Tsai                                                                                                               | 31,639,000<br>—      | 1.88<br>— | —<br>—                        | —<br>— | —<br>—                                  | —<br>— | —<br>—                                                                                          | —<br>—       | —<br>—  |

| Name                                                                                                                                                                        | Current Shareholding |              | Spouse and Minor Shareholding |        | WPG Shareholding by Nominee Arrangement |        | Name and Relationship between top 10 shareholders with relationship specified under SFAS No. 6. |              | Remarks |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------|-------------------------------|--------|-----------------------------------------|--------|-------------------------------------------------------------------------------------------------|--------------|---------|
|                                                                                                                                                                             | Shares               | %            | Shares                        | %      | Shares                                  | %      | Name                                                                                            | Relationship |         |
| Fullerton Technology Co., Ltd.<br>Representative: Wu Changqing                                                                                                              | 31,421,074<br>35,166 | 1.87<br>0.00 | —<br>—                        | —<br>— | —<br>—                                  | —<br>— | —<br>—                                                                                          | —<br>—       | —<br>—  |
| Finance Department of the General Management Office of Mega International Commercial Bank (Representative of Mega International Commercial Bank Co., Ltd.: Zhang Zhaoshun). | 26,217,000<br>—      | 1.56<br>—    | —<br>—                        | —<br>— | —<br>—                                  | —<br>— | —<br>—                                                                                          | —<br>—       | —<br>—  |
| Chunghwa Post Co., Ltd.<br>Representative: Wu Hongmo                                                                                                                        | 22,446,512<br>—      | 1.34<br>—    | —<br>—                        | —<br>— | —<br>—                                  | —<br>— | —<br>—                                                                                          | —<br>—       | —<br>—  |
| KAYSTAR INTERNATIONAL LIMITED<br>Representative: Liu Lichen                                                                                                                 | 22,351,057<br>—      | 1.33<br>—    | —<br>—                        | —<br>— | —<br>—                                  | —<br>— | —<br>—                                                                                          | —<br>—       | —<br>—  |

Note: The ones disclosed in this table are the top 10 shareholders in terms of the ratios of shareholdings of common shares.



**3.9 Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, Its Directors and Supervisors, Management, and Any Companies Controlled Either Directly or Indirectly by the Company**

December 31, 2022/Unit : thousand shares; %

| Reinvestment Entities<br>(Note1)      | Investments by the<br>Company |       | Investment by<br>Directors/Supervisors/Management<br>Team and by Companies directly or<br>indirectly controlled by the Company |      | Total Investment |       |
|---------------------------------------|-------------------------------|-------|--------------------------------------------------------------------------------------------------------------------------------|------|------------------|-------|
|                                       | Shares                        | %     | Shares                                                                                                                         | %    | Shares           | %     |
| World Peace Industrial Co., Ltd.      | 1,812,000                     | 100   | —                                                                                                                              | —    | 1,812,000        | 100   |
| Silicon Application Corp.             | 650,300                       | 100   | —                                                                                                                              | —    | 650,300          | 100   |
| Asian Information Technology Inc.     | 612,089                       | 100   | —                                                                                                                              | —    | 612,089          | 100   |
| WPG Electronics Limited               | 3,920                         | 100   | —                                                                                                                              | —    | 3,920            | 100   |
| WPG Korea Co., Ltd.                   | 2,959                         | 100   | —                                                                                                                              | —    | 2,959            | 100   |
| Trigold Holdings Ltd.                 | 59,195                        | 58.86 | 1,750                                                                                                                          | 1.74 | 60,945           | 60.60 |
| WPG International (CI) Limited        | 150,283                       | 100   | —                                                                                                                              | —    | 150,283          | 100   |
| WPG EMEA B.V.                         | 5,000                         | 100   | —                                                                                                                              | —    | 5,000            | 100   |
| Yosun Industrial Corp.                | 402,310                       | 100   | —                                                                                                                              | —    | 402,310          | 100   |
| WPG ELECTRONICS (HK) LIMITED          | 234,082                       | 100   | —                                                                                                                              | —    | 234,082          | 100   |
| WPG South Asia Pte. Ltd.              | 34,119                        | 100   | —                                                                                                                              | —    | 34,119           | 100   |
| WPG Investment Co., Ltd.              | 210,000                       | 100   | —                                                                                                                              | —    | 210,000          | 100   |
| WT Microelectronics Co., Ltd. (Note2) | 177,110                       | 20.05 | —                                                                                                                              | —    | 177,110          | 20.05 |

Note1: Long-term equity investments made by the Company using equity method.

Note2: Preferred Shares not included

## 4. Capital Overview

### 4.1 Capital and Shares

#### 4.1.1 Capitalization

##### (1) Capitalization

APR 2, 2023/Unit: NT\$/share

| Month/year | Issue price | Authorized Share Capital |                | Capital Stock |               | Remark                                                                                                                                                                         |                                            |        |
|------------|-------------|--------------------------|----------------|---------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------|
|            |             | Shares                   | Amount         | Shares        | Amount        | Sources of Capital                                                                                                                                                             | Capital Increase by Assets other than Cash | Others |
| 11/2005    | 10          | 2,000,000,000            | 20,000,000,000 | 693,202,022   | 6,932,020,220 | Capital MOEA Jing-Shou-Shang No. 09401220210 dated November 9, 2005.                                                                                                           | —                                          | —      |
| 12/2006    | 10          | 2,000,000,000            | 20,000,000,000 | 668,202,022   | 6,682,020,220 | Cancellation of treasury stocks MOEA Jing-Shou-Shang No. 09501288500 dated December 26, 2006.                                                                                  | —                                          | —      |
| 02/2007    | 10          | 2,000,000,000            | 20,000,000,000 | 670,301,494   | 6,703,014,940 | Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601035000 dated February 14, 2007.                                                                                | —                                          | —      |
| 04/2007    | 10          | 2,000,000,000            | 20,000,000,000 | 670,950,744   | 6,709,507,440 | Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601075500 dated April 14, 2007.                                                                                   | —                                          | —      |
| 09/2007    | 10          | 2,000,000,000            | 20,000,000,000 | 712,953,666   | 7,129,536,660 | Recapitalization of retained earnings<br>Capital increase by employee bonus<br>Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601214570 dated September 3, 2007. | —                                          | —      |
| 10/2007    | 10          | 2,000,000,000            | 20,000,000,000 | 716,357,569   | 7,163,575,690 | Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09601263220 dated October 26, 2007.                                                                                 | —                                          | —      |
| 01/2008    | 10          | 2,000,000,000            | 20,000,000,000 | 718,640,319   | 7,186,403,190 | Exercising employee stock warrant MOEA Jing-Shou-Shang No. 0970105780 dated January 21, 2008.                                                                                  | —                                          | —      |
| 04/2008    | 10          | 2,000,000,000            | 20,000,000,000 | 719,922,944   | 7,199,229,440 | Exercising employee stock warrant MOEA Jing-Shou-Shang No. 09701089610 dated April 16, 2008.                                                                                   | —                                          | —      |
| 09/2008    | 10          | 2,000,000,000            | 20,000,000,000 | 743,086,784   | 7,430,867,840 | Conversion of shares MOEA Jing-Shou-Shang No. 09701236790 dated September 16, 2008.                                                                                            | —                                          | —      |

| Month/year | Issue price | Authorized Share Capital |                | Capital Stock |                | Remark                                                                                                                                                                             |                                            |        |
|------------|-------------|--------------------------|----------------|---------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------|
|            |             | Shares                   | Amount         | Shares        | Amount         | Sources of Capital                                                                                                                                                                 | Capital Increase by Assets other than Cash | Others |
| 09/2008    | 10          | 2,000,000,000            | 20,000,000,000 | 774,306,982   | 7,743,069,820  | Recapitalization of retained earnings<br>Capital increase by employee bonus<br>Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09701240610 dated September 18, 2008. | —                                          | —      |
| 10/2008    | 10          | 2,000,000,000            | 20,000,000,000 | 774,736,482   | 7,747,364,820  | Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09701263220 dated October 17, 2008.                                                                                  | —                                          | —      |
| 01/2009    | 10          | 2,000,000,000            | 20,000,000,000 | 774,993,607   | 7,749,936,070  | Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09801008180 dated January 15, 2009.                                                                                  | —                                          | —      |
| 05/2009    | 10          | 2,000,000,000            | 20,000,000,000 | 891,751,941   | 8,917,519,410  | Conversion of shares<br>MOEA Jing-Shou-Shang No. 09801095190 dated May 14, 2009.                                                                                                   | —                                          | —      |
| 06/2009    | 10          | 2,000,000,000            | 20,000,000,000 | 892,629,941   | 8,926,299,410  | Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09801122940 dated June 17, 2009.                                                                                     | —                                          | —      |
| 09/2009    | 10          | 2,000,000,000            | 20,000,000,000 | 893,398,816   | 8,933,988,160  | Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09801200400 dated September 3, 2009.                                                                                 | —                                          | —      |
| 10/2009    | 10          | 2,000,000,000            | 20,000,000,000 | 893,772,566   | 8,937,725,660  | Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09801238420 dated October 15, 2009.                                                                                  | —                                          | —      |
| 01/2010    | 10          | 2,000,000,000            | 20,000,000,000 | 894,412,316   | 8,944,123,160  | Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09901007210 dated January 14, 2010.                                                                                  | —                                          | —      |
| 04/2010    | 10          | 2,000,000,000            | 20,000,000,000 | 894,625,566   | 8,946,255,660  | Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09901076640 dated April 21, 2010.                                                                                    | —                                          | —      |
| 09/2010    | 10          | 2,000,000,000            | 20,000,000,000 | 1,056,048,043 | 10,560,480,430 | Recapitalization of retained earnings<br>Exercising employee stock warrant<br>MOEA Jing-Shou-Shang No. 09901198560 dated September 3, 2010.                                        | —                                          | —      |
| 03/2011    | 10          | 2,000,000,000            | 20,000,000,000 | 1,453,073,506 | 14,530,735,060 | Conversion of shares<br>MOEA Jing-Shou-Shang No. 10001042020 dated March 7, 2011.                                                                                                  | —                                          | —      |

| Month/year | Issue price | Authorized Share Capital |                | Capital Stock |                | Remark                                                                                                          |                                            |        |
|------------|-------------|--------------------------|----------------|---------------|----------------|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------|
|            |             | Shares                   | Amount         | Shares        | Amount         | Sources of Capital                                                                                              | Capital Increase by Assets other than Cash | Others |
| 09/2011    | 10          | 2,000,000,000            | 20,000,000,000 | 1,583,850,122 | 15,838,501,220 | Surplus transferred to capital<br>MOEA Jing-Shou-Shang No. 10001207100 dated September 15, 2011.                | —                                          | —      |
| 04/2012    | 10          | 2,000,000,000            | 20,000,000,000 | 1,655,709,212 | 16,557,092,120 | Conversion of shares<br>MOEA Jing-Shou-Shang No. 10101072410 dated April 24, 2012.                              | —                                          | —      |
| 10/2016    | 10          | 2,000,000,000            | 20,000,000,000 | 1,692,782,499 | 16,927,824,990 | Shares converted from corporate bonds<br>MOEA Jing-Shou-Shang No. 105011248620 dated October 25, 2016.          | —                                          | —      |
| 01/2017    | 10          | 2,000,000,000            | 20,000,000,000 | 1,723,895,350 | 17,238,953,500 | Shares converted from corporate bonds<br>MOEA Jing-Shou-Shang No. 10601006760 dated January 27, 2017.           | —                                          | —      |
| 04/2017    | 10          | 2,000,000,000            | 20,000,000,000 | 1,740,963,062 | 17,409,630,620 | Shares converted from corporate bonds<br>MOEA Jing-Shou-Shang No. 10601049450 dated April 20, 2017.             | —                                          | —      |
| 07/2017    | 10          | 2,000,000,000            | 20,000,000,000 | 1,745,420,665 | 17,454,206,650 | Shares converted from corporate bonds<br>MOEA Jing-Shou-Shang No. 10601094540 dated July 10, 2017.              | —                                          | —      |
| 08/2017    | 10          | 2,000,000,000            | 20,000,000,000 | 1,825,061,775 | 18,250,617,750 | Shares converted from corporate bonds<br>MOEA Jing-Shou-Shang No. 10601122870 dated August 25, 2017.            | —                                          | —      |
| 08/2018    | 10          | 2,000,000,000            | 20,000,000,000 | 1,679,056,833 | 16,790,568,330 | Cash capital reduction<br>MOEA Jing-Shou-Shang No. 10701100870 dated August 1, 2018.                            | —                                          | —      |
| 10/2019    | 10          | 2,500,000,000            | 25,000,000,000 | 1,879,056,833 | 18,790,568,330 | Issue preferred stocks via cash capital increase<br>MOEA Jing-Shou-Shang No. 10801132530 dated October 3, 2019. | —                                          | —      |

(2) Type of Stock

APR 2, 2023/Unit: Shares

| Type of Stock      | Authorized Share Capital  |                     |               |             | Unissued Shares | Total      | Stock warrants,<br>preferred shares with<br>warrants or corporate<br>bonds with warrants |
|--------------------|---------------------------|---------------------|---------------|-------------|-----------------|------------|------------------------------------------------------------------------------------------|
|                    | Outstanding Shares (Note) |                     |               |             |                 |            |                                                                                          |
|                    | Listed (OTC)              | Not listed<br>(OTC) | Total         |             |                 |            |                                                                                          |
| Common shares      | 1,679,056,833             | —                   | 1,679,056,833 | 620,943,167 | 2,500,000,000   | 50,000,000 |                                                                                          |
| Preferred Shares A | 200,000,000               | —                   | 200,000,000   |             |                 |            |                                                                                          |

Note: Of the 2,500,000,000 shares, 50,000,000 shares are reserved for the issuance of stock warrants, preferred shares with warrants or corporate bonds with warrants.

#### 4.1.2 Structure

##### (1) Common Shares

APR 2, 2023

| Structure<br>QTY          | Government<br>Agencies | Financial<br>Institutions | Other<br>Juridical<br>Persons | Individual  | Foreign<br>Institutions<br>& Natural<br>Persons | Total         |
|---------------------------|------------------------|---------------------------|-------------------------------|-------------|-------------------------------------------------|---------------|
| Number of<br>Shareholders | 8                      | 30                        | 465                           | 83,118      | 608                                             | 84,229        |
| Shareholding              | 60,657,988             | 236,682,055               | 410,866,350                   | 539,125,492 | 431,724,948                                     | 1,679,056,833 |
| Holding Percentage<br>(%) | 3.61                   | 14.10                     | 24.47                         | 32.11       | 25.71                                           | 100.00        |

##### (2) Preferred Shares A

APR 2, 2023

| Structure<br>QTY          | Governme<br>nt<br>Agencies | Financial<br>Institutions | Other<br>Juridical<br>Persons | Individual | Foreign<br>Institutions<br>& Natural<br>Persons | Total       |
|---------------------------|----------------------------|---------------------------|-------------------------------|------------|-------------------------------------------------|-------------|
| Number of<br>Shareholders | 1                          | 13                        | 113                           | 9,683      | 16                                              | 9,826       |
| Shareholding              | 20,000,000                 | 47,590,363                | 84,230,871                    | 48,149,942 | 28,824                                          | 200,000,000 |
| Holding Percentage<br>(%) | 10.00                      | 23.79                     | 42.12                         | 24.08      | 0.01                                            | 100.00      |

#### 4.1.3 Distribution Profile of Share Ownership

##### (1) Common Shares

APR 2, 2023

| Shareholding<br>Ownership | Number of Shareholders | Ownership     | Ownership Percentage<br>(%) |
|---------------------------|------------------------|---------------|-----------------------------|
| 1~999                     | 33,421                 | 6,739,394     | 0.40                        |
| 1,000 ~ 5,000             | 38,520                 | 80,907,394    | 4.82                        |
| 5,001 ~ 10,000            | 6,431                  | 47,986,662    | 2.86                        |
| 10,001 ~ 15,000           | 1,967                  | 24,211,391    | 1.44                        |
| 15,001 ~ 20,000           | 1,031                  | 18,624,120    | 1.11                        |
| 20,001 ~ 30,000           | 948                    | 23,545,554    | 1.40                        |
| 30,001 ~ 40,000           | 424                    | 14,809,417    | 0.88                        |
| 40,001 ~ 50,000           | 279                    | 12,804,798    | 0.76                        |
| 50,001 ~ 100,000          | 477                    | 34,047,006    | 2.03                        |
| 100,001 ~ 200,000         | 286                    | 40,398,755    | 2.41                        |
| 200,001 ~ 400,000         | 153                    | 43,678,369    | 2.60                        |
| 400,001 ~ 600,000         | 59                     | 29,043,197    | 1.73                        |
| 600,001 ~ 800,000         | 40                     | 27,383,187    | 1.63                        |
| 800,001 ~ 1,000,000       | 23                     | 20,744,832    | 1.24                        |
| 1,000,001 or more         | 170                    | 1,254,132,757 | 74.69                       |

| Shareholding Ownership | Number of Shareholders | Ownership     | Ownership Percentage (%) |
|------------------------|------------------------|---------------|--------------------------|
| Total                  | 84,229                 | 1,679,056,833 | 100.00                   |

(2) Preferred Shares A

APR 2, 2023

| Shareholding Ownership | Number of Shareholders | Ownership   | Ownership Percentage (%) |
|------------------------|------------------------|-------------|--------------------------|
| 1~999                  | 3,482                  | 778,177     | 0.39                     |
| 1,000 ~ 5,000          | 4,983                  | 7,636,901   | 3.82                     |
| 5,001 ~ 10,000         | 623                    | 5,198,203   | 2.60                     |
| 10,001 ~ 15,000        | 136                    | 1,753,393   | 0.88                     |
| 15,001 ~ 20,000        | 117                    | 2,214,655   | 1.11                     |
| 20,001 ~ 30,000        | 130                    | 3,292,319   | 1.65                     |
| 30,001 ~ 40,000        | 60                     | 2,220,468   | 1.11                     |
| 40,001 ~ 50,000        | 57                     | 2,694,382   | 1.35                     |
| 50,001 ~ 100,000       | 105                    | 7,548,901   | 3.77                     |
| 100,001 ~ 200,000      | 57                     | 8,593,420   | 4.30                     |
| 200,001 ~ 400,000      | 27                     | 8,255,000   | 4.13                     |
| 400,001 ~ 600,000      | 12                     | 6,094,569   | 3.05                     |
| 600,001 ~ 800,000      | 8                      | 5,689,000   | 2.84                     |
| 800,001 ~ 1,000,000    | 2                      | 1,956,289   | 0.98                     |
| 1,000,001 or more      | 27                     | 136,074,323 | 68.02                    |
| Total                  | 9,826                  | 200,000,000 | 100.00                   |

#### 4.1.4 Major Shareholders

Name, number of shares held, and shareholding percentage of shareholders who hold more than 5% of the shares or the top 10 shareholders

APR 2, 2023/Unit: Shares

| Shareholding Shareholders                                                                                                                                                       | Total Shares Owned | Ownership Percentage (%) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------|
| Taishin International Commercial Bank Co., Ltd. is entrusted with the custody of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF Securities Investment Trust Fund | 139,032,000        | 8.28                     |
| CTBC Bank Co., Ltd. as custodian of Yuanta Bank                                                                                                                                 | 78,804,246         | 4.69                     |
| Simon Huang                                                                                                                                                                     | 41,411,507         | 2.47                     |
| Taiwan Life Insurance Co., Ltd.                                                                                                                                                 | 34,779,000         | 2.07                     |
| New Regulation for Labor Retirement Fund                                                                                                                                        | 32,576,685         | 1.94                     |
| Fubon Insurance Co. Ltd.                                                                                                                                                        | 31,639,000         | 1.88                     |
| Fullerton Technology Co., Ltd.                                                                                                                                                  | 31,421,074         | 1.87                     |
| Financial Division, General Administration of Mega International Commercial Bank Farglory Life Insurance Inc.                                                                   | 26,217,000         | 1.56                     |
| Chunghwa Post Co., Ltd. ( Nan Shan Life Insurance Company, Ltd.                                                                                                                 | 22,446,512         | 1.34                     |
| Kaystar International Ltd.                                                                                                                                                      | 22,351,057         | 1.33                     |

Note: The ones disclosed in this table are the top 10 shareholders in terms of the ratios of shareholdings of common shares.



#### 4.1.5 Market Price, Net Worth, Earnings, and Dividends Per Common Share For the Last Two Years

| Year<br>Item                 |                                              |                                            | 2021      | 2022      | Current fiscal year<br>up to Apr 27(Note5) |
|------------------------------|----------------------------------------------|--------------------------------------------|-----------|-----------|--------------------------------------------|
| Market<br>Price Per<br>Share | Highest Market Value                         |                                            | 61.00     | 58.50     | 50.80                                      |
|                              | Lowest Market Value                          |                                            | 42.50     | 43.80     | 47.05                                      |
|                              | Average Market Value                         |                                            | 49.34     | 51.84     | 49.07                                      |
| Net<br>Worth Per<br>Share    | Before Distribution                          |                                            | 37.47     | 43.14     | —                                          |
|                              | After Distribution(Note 1)                   |                                            | 34.13     | 39.48     | —                                          |
| Earnings<br>Per Share        | Weighted Average Shares<br>(thousand shares) |                                            | 1,679,057 | 1,679,057 | —                                          |
|                              | Earnings<br>Per<br>Share                     | Before Retrospective<br>Adjustment         | 6.61      | 6.02      | —                                          |
|                              |                                              | After Retrospective<br>Adjustment (Note 1) | 6.61      | 6.02      | —                                          |
| Dividends<br>Per Share       | Cash Dividend(Note 1)                        |                                            | 3.50      | 3.85      | —                                          |
|                              | Stock<br>Grants                              | Dividends from Retained<br>Earnings        | —         | —         | —                                          |
|                              |                                              | Dividends from Capital<br>Surplus          | —         | —         | —                                          |
|                              | Accumulated Undistributed<br>Dividend        |                                            | —         | —         | —                                          |
| Return on<br>Investme<br>nt  | Price/Earnings Ratio (Note 2)                |                                            | 7.46      | 8.61      | —                                          |
|                              | Price/Dividend Ratio (Note 1.3)              |                                            | 14.10     | 13.46     | —                                          |
|                              | Cash Dividend Yield (%) (Note<br>1.4)        |                                            | 7.09      | 7.43      | —                                          |

Note 1: Filled in accordance with the situation of the distribution of the resolution of the Shareholders' Meeting next year; however, the surplus of 2022 has not been distributed by resolution of the Shareholders' Meeting.

Note 2: Price/Earnings Ratio = Average Closing Price per share of the year/Earnings per share.

Note 3: Price/Dividend Ratio = Average Closing Price per share of the year/Cash Dividend per share.

Note 4: Cash Dividend Yield = Cash Dividend per share/Average Closing Price per share of the year.

Note 5: The per share net asset value and per share earnings should be filled with the most recent quarter's data audited (reviewed) by the accountant as of the printing date of the annual report. The remaining columns should be filled with data from the current year as of the printing date of the annual report.

#### 4.1.6 Dividend Policy and Implementation Status

##### (1) Dividend policy stipulated in the Company's Articles of Incorporation:

In accordance with the provisions of the Company's Articles of Incorporation, where if the Company has surplus earnings at the end of the year, after tax payment and recovery of losses over the years, 10% of the amount shall be appropriated as legal capital reserve; if there is any balance after setting aside or reversion to special capital reserve in accordance with laws and regulations, the remaining balance (hereinafter referred to as “earnings for the current year”) is added to the undistributed surplus at the beginning of the period, as the

surplus available for distribution, and the dividends for preferred shares shall be paid in priority, which is to be distributed as the dividends and bonuses to shareholders after the distribution plan shall be proposed by the Board of Directors and subject to the resolution of the Shareholders' Meeting. When the company has no surplus, no dividends and bonuses will be distributed.

This Company's dividend policy and dividend distribution shall consider the Company's profitability, future operation funding needs, and changes in industry environment, as well as shareholders' rights and the Company's long-term financial plans. This Company's yearly total dividend distribution amount shall not be less than 40% of the year's earnings. The distributed cash dividend shall not be less than 20% of the total dividend distribution amount.

(2) Distribution of dividend proposed for approval at the Shareholders' Meeting:

The Company's surplus distribution plan for 2022 was approved by the Board of Directors on March 28, 2023. Among which, NT\$6,464,368,807 was accrued from the cumulative distributable surplus, and NT\$3.85 cash dividend was distributed per Common Share. NT\$2.0 cash dividend was distributed per Preferred Shares A.

4.1.7 Effect of Stock Dividends to Operating Performance and EPS: Not applicable. There is no stock dividend this year.

4.1.8 Information regarding Employee Bonus and Remuneration paid to Directors and Supervisors:

(1) Information regarding Compensation paid to Employees, Directors and Supervisors in the Articles of Incorporation:

Based on the Articles of Incorporation, if the financial results for the fiscal year show profit, the Company shall set aside, resolved by Board of Directors, not more than 5% and not less than 0.01% of its annual profit to employees as compensation and not more than 3% of the aforesaid profit distributable to Directors and Supervisors as remuneration. Reports of such distribution as employees' compensation and remuneration of Directors and Supervisors shall be submitted to the Shareholders' Meeting. However, the Company shall reserve a portion of the losses in advance. The employees' compensation can be paid by stock or cash, and the target person may include the employees of the subordinate company that meet certain conditions.

(2) The estimation basis of the compensation amount to Employees, Directors, and Supervisors for the current period; the estimation basis of the number of shares distributed as compensation; and the accounting treatment of the discrepancy, if any, between the actual distributed amount and estimated figure, for the current period:

The compensation payable to Employees and the remuneration of Directors in 2022 are estimates based on past experiences. Action will be taken pursuant to relevant provisions once the proposal is resolved in the annual Shareholders' Meeting on May 26, 2022. If the actual amounts subsequently paid differ from the above estimated amounts, the difference

will be recorded in the year resolved as a change in accounting estimate.

- (3) The Board of Directors has approved the proposal to distribute Employees' compensation: The Employees' compensation and remuneration of Directors to be distributed in 2022 were approved by the Board of Directors on March 28, 2022. The remuneration of Directors in 2022 was NT\$52,000,000; the Employees' compensation in 2022 was NT\$48,110,000. All of the above are distributed in cash. The Employees' compensation and remuneration of Directors in 2022 was expensed, which had no impact on earnings per share.
- (4) The actual distribution of compensation for Employees, Directors, and Supervisors (including the number, sum, and price of shares distributed), and where there were discrepancies with the recognized compensation for Employees, Directors, and Supervisors in the prior year, the difference, cause, and treatment of the discrepancy be described: The employees' compensation and remuneration of Directors in 2021 approved by the 2022 Shareholders' Meeting were NT\$78,529,000 and NT\$49,256,000 respectively, which have been distributed. The difference between the values recognized in the 2021 Financial Statements is only that employees' compensation was reduced by NT\$2,171,000. The Director's remuneration decreased by NT\$3,744,000 and adjusted into the gains and loss of the first quarter of 2022.

4.1.9 Repurchase of Shares by the Company: None.

**4.2 Issuance of Corporate Bonds: None.**

### 4.3 Preferred Shares

|                           |                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of issuance<br>Item  |                                             | September 18, 2019<br>Preferred Shares A of WPG Holdings Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Par value                 |                                             | NT\$10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Issue price               |                                             | NT\$50 per share                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Number of Shares Issued   |                                             | Total 200,000,000 shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Total Amount              |                                             | NT\$10,000,000,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Rights and<br>Obligations | Distribution of<br>Dividends and<br>Bonuses | <ol style="list-style-type: none"> <li>1. Dividends: The annual rate of Preferred Shares A is 4% (5-year IRS interest rate 0.605% + 3.395%), calculated at the issue price per share, the 5-year IRS interest rate will be reset on the next business day every five years after the issuing date. The record date for reset is two business days prior to the interest rate reset date. The IRS rate is the arithmetic mean of 5-year IRS rates appearing on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the record date for reset. If the offered price cannot be obtained on the record date for reset, the company will determine the rate based on reasonable market price with good faith.</li> <li>2. Distribution of Dividend: Distributed in cash in a lump sum and on an annual basis. The Company's annual earnings at the end of the accounting year shall be first subject to taxation, reimbursement of previous losses, the remainder shall be provided for legal reserve in accordance with the provisions of the Articles of Incorporation and special capital reserve by law or reversal. The remainder may be first made available for distribution of Preferred Shares A dividends. The Company has the right to decide dividend distribution on Preferred Shares A, if any, at its sole discretion. If there are no surplus earnings, the surplus earnings are not enough for distributing dividends of the Preferred Shares A in whole or in part after the final account or due to any other consideration, the Company may by the approval of the Shareholders' Meeting decide not to distribute dividend for Preferred Shares A. The former shall not constitute a breach of contract. The undistributed or insufficiently distributed dividend shall not be accumulated for make-up in the future.</li> <li>3. Excess dividend distribution: In addition to aforementioned dividend distribution, shareholders of Preferred Shares A are not entitled to the cash and capital allocation with regard to earnings and capital reserves as dividend distribution of Common Shares.</li> </ol> |
|                           | Distribution of<br>Remaining Assets         | The order of claim for distribution of property of shareholders of Preferred Shares A is prior to Common Shares. The repayment shall be capped at the respective issue amount of Preferred Shares upon liquidation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

|                                                                                                                                                                                  |                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                        |       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| Date of issuance                                                                                                                                                                 |                                                                                                  | September 18, 2019                                                                                                                                                                                                                                                                                                                                                                                                     |       |
| Item                                                                                                                                                                             |                                                                                                  | Preferred Shares A of WPG Holdings Ltd.                                                                                                                                                                                                                                                                                                                                                                                |       |
|                                                                                                                                                                                  | Execute Rights of Voting                                                                         | Shareholders of the Preferred Shares A shall have no right to vote or elect in the Company's Shareholders' Meeting, provided that they have right to vote or elect at the Preferred Shares A Shareholders' Meetings and any Shareholders' Meetings related to interest and right of the shareholders of Preferred Shares A .                                                                                           |       |
|                                                                                                                                                                                  | Other                                                                                            | For cash offering of new shares, stockholders of Preferred Shares A have the same preemptive rights as the Common Shareholders.                                                                                                                                                                                                                                                                                        |       |
| Outstanding Preferred Shares                                                                                                                                                     | Number of Preferred Shares Recovered or Converted                                                | NT\$0                                                                                                                                                                                                                                                                                                                                                                                                                  |       |
|                                                                                                                                                                                  | Number of Preferred Shares Not Recovered or Converted                                            | NT\$10,000,000,000                                                                                                                                                                                                                                                                                                                                                                                                     |       |
|                                                                                                                                                                                  | Recovery or conversion terms                                                                     | 1. Conversion into Common Shares: Preferred Shares A may not be converted to Common Shares. Shareholders of Preferred Shares A have no right to request the Company to redeem the Preferred Shares they hold.<br>2. Preferred Shares A of the Company have no maturity, the Company may redeem all or partial Preferred Shares any time on the next day after five years of issuance with the original issuance price. |       |
| Market Price per Share                                                                                                                                                           | 2021                                                                                             | Highest                                                                                                                                                                                                                                                                                                                                                                                                                | 50.70 |
|                                                                                                                                                                                  |                                                                                                  | Lowest                                                                                                                                                                                                                                                                                                                                                                                                                 | 48.05 |
|                                                                                                                                                                                  |                                                                                                  | Average                                                                                                                                                                                                                                                                                                                                                                                                                | 49.77 |
|                                                                                                                                                                                  | 2022                                                                                             | Highest                                                                                                                                                                                                                                                                                                                                                                                                                | 50.40 |
|                                                                                                                                                                                  |                                                                                                  | Lowest                                                                                                                                                                                                                                                                                                                                                                                                                 | 46.20 |
|                                                                                                                                                                                  |                                                                                                  | Average                                                                                                                                                                                                                                                                                                                                                                                                                | 48.93 |
|                                                                                                                                                                                  | Current fiscal year up to April 27, 2023                                                         | Highest                                                                                                                                                                                                                                                                                                                                                                                                                | 49.75 |
|                                                                                                                                                                                  |                                                                                                  | Lowest                                                                                                                                                                                                                                                                                                                                                                                                                 | 48.60 |
|                                                                                                                                                                                  |                                                                                                  | Average                                                                                                                                                                                                                                                                                                                                                                                                                | 49.20 |
| Other Rights                                                                                                                                                                     | Amount converted into Common Shares or Stock Warrant as of the publish date of the Annual Report | Shareholders of Preferred Shares A can not be converted into Common Shares                                                                                                                                                                                                                                                                                                                                             |       |
|                                                                                                                                                                                  | Issuance and Conversion or Subscription Methods                                                  | None                                                                                                                                                                                                                                                                                                                                                                                                                   |       |
| Impact of conditions of issuance on the rights and interests of preferred shareholders and possible dilution of shareholders' equity and impact on existing shareholders' equity |                                                                                                  | None                                                                                                                                                                                                                                                                                                                                                                                                                   |       |

**4.4 Issuance of Global Depositary Receipts: None.**

**4.5 Status of Employee Stock Option Plan: None.**

**4.6 Status of Employee Restricted Stock: None.**

**4.7 Status of New Share Issuance in Connection with Mergers and Acquisitions**

4.7.1 Issue of New Shares in connection with any Acquisition of Shares of Another Company in the Most Recent Year and up to the Date of This Annual Report:

(1) The Lead Securities Underwriters' opinion on the issuance of new shares for acquisition of shares of another company in the most recent quarter: None.

(2) The status of implementation in the most recent quarter - if the implementation has not achieved the expected target, a statement on the impact on shareholders' equity and improvement plan shall be provided: None.

4.7.2 Any Issuance of New Shares in connection with Acquisition of Shares of Another Company approved by the Board of Directors in the Most Recent Year and up to the Date of This Annual Report:

(1) Basic information of the company being acquired or transferred: None.

(2) Implementation of undergoing merger or acquisition of other companies through the issuance of Common Shares shall be disclosed, so is the impact on shareholders' equity: None.

**4.8 Financing Plans and Implementation: None.**

## 5. Operational Highlights

### 5.1 Business Activities

#### 5.1.1 Business Scope

- (1) WPG Holdings: Investment industry.
- (2) WPG Group

##### I. Main Business Activities

Headquartered in Taipei(TSE:3702), WPG Holdings is the largest distributor of semiconductor components in the Asia-Pacific region and the second largest in the world, which owns World Peace Industrial Group, Silicon Application Corporation, Asian Information Technology and Yosun Industrial Group, with approximately 5,400 employees, more than 250 agent product suppliers, 80 distribution locations worldwide. WPG is Taiwan's first investment holding company that is composed of semiconductor components distributors. WPG operates under the management team composed of executives from each subsidiary and builds an integrated logistics support platform to reduce operating costs. We have continuously improved our performance since incorporation to advance our leading position in the industry. We will continue to outperform competitors as a holding company and become the pioneer of semiconductor components distribution industry.

##### II. Business Breakdown in 2022

| Product name                                                   | Sales percentage |
|----------------------------------------------------------------|------------------|
| Core components                                                | 36.03%           |
| Analog IC and mixed-signal IC                                  | 9.42%            |
| Discrete logic IC                                              | 12.05%           |
| Memory Component                                               | 27.64%           |
| Optical components and sensors                                 | 8.21%            |
| Passive components, electromagnetic components, and connectors | 4.52%            |
| Other components                                               | 2.13%            |
| Total                                                          | 100.00%          |

##### III. Current Products/Services

###### a. Franchised Semiconductor Brands

WPG Group is the authorized distributor of more than 250 semiconductor brands, including AMD, ams OSRAM, AOS, BOSCH, Broadcom, CREE LED, EPSON, Elan, Everlight, Infineon, Intel, Kioxia, Kneron, Littelfuse, MaxLinear, MediaTek, Merry, Microchip, Micron, Molex, MPS, Nanya, Nexperia, Novatek, Nuvoton, NXP, OmniVision, onsemi, Phison, Pixart, Qualcomm, Realtek, Richtek, Samsung Electronics, SDI(Samsung SDI), SEMCO, SEMTECH, Silergy, SiTime, ST Micro, Toshiba, Unisoc, Vishay, Willsemi, Winbond, Zilltek.

b. Category/Name of Franchised Semiconductor Products

| Main Product Category                                          | Product Name                                                                                                                                                                            |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Core Components                                                | Chipset, graphics/audio/video controller, smartphone chip, network/modem chipset, GPU, CPU/MPU, RISC CPU, etc.                                                                          |
| Analog IC and Mixed-Signal IC                                  | Bipolar, CMOS operational amplifier, comparator, digital/analog converter, power supply controller, audio and video amplifier or controller, interface IC, high frequency devices, etc. |
| Discrete Logic IC                                              | Diode, rectifier, transistor, thyristor, insulated-gate bipolar transistor, SiC, GaN, optical transistor, logic IC, etc.                                                                |
| Memory Component                                               | DRAM, SRAM, EPROM, EEPROM, Flash, MCP, etc.                                                                                                                                             |
| Optical Components and Sensors                                 | LCD, sensor, LED, Micro LED etc.                                                                                                                                                        |
| Passive Components, Electromagnetic Components, and Connectors | Resistor, capacitor, inductor, magnetic component, cable, connector, mechanics, electromechanics, circuit protection, material, battery, filter, oscillator, etc.                       |
| Other Components                                               | Non-electronic component                                                                                                                                                                |

c. New Products/Services in the Planning

| Category of Product Application | New Component Planned to Franchise                                                                                                             |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| IOT                             | AIOT, smart home, smart city, wearable device, smart medical treatment, etc.                                                                   |
| Automotive                      | ADAS, Vehicle networking, vehicle entertainment system, vehicle electronics, vehicle safety, etc.                                              |
| Power                           | New energy lighting, consumer, industry, automobile charging station, communication, medical, etc.                                             |
| More                            | Computers and peripheral products, industry, communication, consumer, development board evaluation, smart grid, energy storage equipment, etc. |

### 5.1.2 Industry Overview

(1) Current State and Future Development of the Industry

Due to changes in global economy starting from the beginning of 2022, the demand and supply in global semiconductor market has been changing. According to Gartner's forecast made in the fourth quarter in 2022, the global semiconductor revenue was projected to total US\$599.6 billion, a marginal increase of 0.2% from 2021.



On the report of Gartner's forecast, the global semiconductor revenue is projected to total US\$532.2 billion in 2023, a decline of 11.2%; 2023 is a year for adjustments in demand and supply and the demand shall increase again in 2024. As shown in Figure 1. The compound annual growth rate (CAGR) of long-term semiconductor demand from 2022 to 2027 shows a 4.7% growth. °

Figure 1. Estimated Revenue of the Global Semiconductor Industry from 2021 to 2027

| Year                         | 2021  | 2022  | 2023(F) | 2024(F) | 2025(F) | 2026(F) | 2027(F) |
|------------------------------|-------|-------|---------|---------|---------|---------|---------|
| Revenue (Unit: US\$ billion) | 598.3 | 599.6 | 532.2   | 630.9   | 715.4   | 733.1   | 753.8   |
| Increase/Decrease (%)        | 27.1% | 0.2%  | -11.2%  | 18.5%   | 13.4%   | 2.5%    | 2.8%    |

Source: Gartner March 2023

## (2) Main Application Market and Development Trend

The estimation and analysis of the four main application markets of the notebook, the smartphone, the server, and the automotive/EV, are as follows: (Source: Digitimes)

### Notebook

In 2022, the post-pandemic demand has resulted in the notebook market being relatively saturated. Then, with several theory of black swan events like global inflation, the Russo-Ukrainian War, and radical raise of interest rates in developed countries and a supply chain that is still unstable, the global notebook shipment in 2022 was projected to decreased to 191 million with the year on year (YoY) growth declined by 22.8%. However, the shipment is still higher than the average of 150 to 160 million before the pandemics. In 2023, the demand is still hindered by various adverse factors in macroeconomy and the notebook shipment is projected to decline to 183 million, with the YoY growth declining by 4.2%.

The projected shipment in 2022 was 191 million, with a decline of 22.8%; the main reasons are as follows:

- a. In the first quarter, the market was in a prosperous state with the undersupply of business notebooks caused by IC shortage. However, when the Russo-Ukrainian War started, the demand quickly dropped. Moreover, the supply was greatly hindered by lockdowns in China that shipments of companies like Apple were hugely decreased; relevant shipments in the second quarter decreased by more than 20%.
- b. In the second half of the year, due to the inflation going out of control and the USA quickly raising the interest rates, the demands quickly turned upside down. As brand owners continue to reduce the shipment goals, stocks in each sales channel and the inventory of materials and parts continue to increase. As a result, the usual shipment peak, which is the fourth quarter, ended up to be the quarter with the least shipment this year.  
In 2023, the projected global notebook shipment is 183 million, further decreased by 4.2%.
- c. The demand is still hindered by various adverse factors. Although slowing down, the

global inflation remains high, which greatly impacts the shipment of consumer models. Particularly, the European market declined the most, followed by the North-American market; the Chinese market is expected to rebound as the lockdown policy eases. The demand for business notebook models is expected to decrease, although slightly less than consumer models. As for the education market which went into recession the earliest, the demand is expected to increase in the replacement wave.

- d. The supply aspect is looking more promising. The steady increase in the global supply chain and the debut of new processors strengthen the confidence of notebook brand owners in shipment. However, it is expected that many materials and parts will be left in stock until the first half of 2023.

## Server

The shipment of servers in 2022 was 18 million, which increased by 6.3%. The growth was mainly powered by the demand of large cloud data centers in North America; applications like edge AIOT and 5G telecommunications will prompt cloud operators and server brand owners to devote in the hybrid cloud development in different application fields. The CAGR of global server shipment is expected to reach 6.1%. DIGITIMES Research projected that in 2023, the global shipment of servers will reach a further increase of 5.2% to 19 million; the growth will still be mainly powered by the infrastructures for data centers that large cloud operators are building in North America. In addition, as the coronavirus is expected to be treated as an endemic illness, the supply of ICs and other components is slowly going back to normal. As the next generation CPUs by Intel and AMD go into mass production, an increase in notebook replacement may occur.

- a. Demand: As the demand for data processing and AI accelerated computing in different fields of application continues to grow, the shipment of HPC servers will increase. The two markets of edge servers with potential growth in the future are the AIOT computation and storage of corporate clients; the open Ran framework that international organizations have been promoting will prompt telecommunication operators to adopt more ODM direct servers as the infrastructures like centralized units or distributed units.
- b. Supply: Chip manufacturers like Intel, AMD, and Arm have been focusing on presenting new CPU plans and developing accelerated processor chips for data centers. Such actions may help the further improvement of cloud server and HPC server performance and prompt data centers and brand owners to replace or buy new servers of the next generation model according to the actual needs of their HPC or AI; potentially, it will accelerate the occurrence of server replacement wave for cloud operators and corporate clients. It is expected that after 2023, as large cloud operators (e.g., Amazon) and chip

manufacturers NVIDIA and Ampere proactively exploring the next generation cloud and HPC plans, the Arm framework will erode the market share of the x86 framework server.

### **Smart Phone**

Due to high inflation worldwide, the US Federal Reserve System quickly raising interest rates causing great appreciation of the US dollar against other currencies hindering the purchasing power of all the countries outside of the US, and the continual decline of the global economy and business confidence, the consumers' purchase power and willingness to buy new devices are greatly hindered. DIGITIMES Research projected the total shipment of smart phones in 2022 to be 1.18 billion, with a decline of 10.7% from 2021 and that the total shipment in 2023 will marginally increase by 2.3% to 1.2 billion.

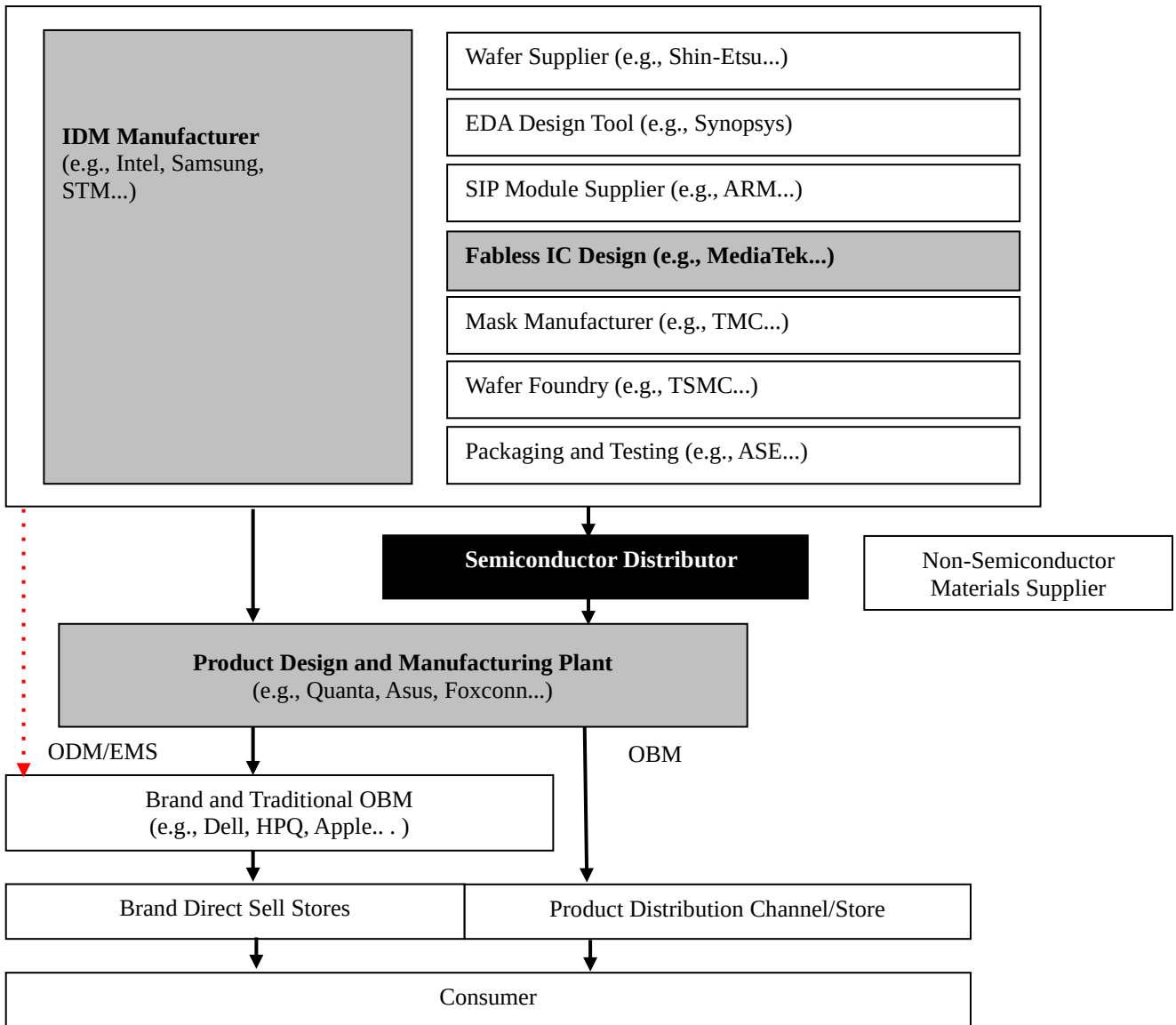
- a. Supply: The shortage and increasing cost of smart phone components have been resolved in the second quarter in 2022, which is beneficial to hardware cost management for smart phone manufacturers.
- b. Demand: The Chinese market was impacted by lockdown and zero-COVID policy in 2022, the projected smart phone shipment will decrease over 20.4% to 250 million. In 2023, the smart phone shipment is projected to slightly increase by 1.9% to 260 million; the global share will fall to 21.6%.
- c. Demand: The 2022 shipment in overseas market will reduce by 7.6% to 920 million; the shipment in 2023 will only grow by 2.4% to the average number of 940 million.

### **Automotive/EVEV** (Source: Gartner Mar. 2023 Forecast, Gasgoo; Edited by WPG)

As electric vehicles (EVs) become affordable, the market penetration rate will greatly increase and the demand for automotive semiconductors will multiply. However, the shortage of automotive chips continues. In 2022, the sales of automobiles were 81.79 million units with the YoY growth of approximately 7.3%; in 2023, the projected sales are 85.75 million units with the YoY growth of approximately 4.8%. Of which, the sales of EVs in 2022 was about 19.81 million units, accounting for 24.2% of all automobile sales and the YoY growth was about 46.5%; the projected EV sales in 2023 is approximately 26.94 million, accounting for 31.4% of all automobile sales and the YoY growth is about 36.0%. The chief increment comes from the following three major markets: China, Europe and the United States.

Of which, the 2022 EV sales in China was approximately 6.887 million units, accounting for 25.6% of the global EV sales and the YoY growth is about 93.4%. The projected EV sales in 2023 is about 8.1 million, accounting for 30.0% of the global EV sales and the YoY growth will be about 17.6%. The Chinese market is expected to become the second largest EV market in the world.

Figure 2. Semiconductor Supply Chain Analysis



## I. Basic Structure of Semiconductor Supply Chain

### a. Semiconductor Components Suppliers

Upstream semiconductor components suppliers can be broadly divided into two categories. The first category is integrated design manufacture (IDM), which has the strong capability of vertical integration and has relatively complete portfolios. The barriers to entry for IDM are extremely high. Companies of this category include Intel, Samsung Semiconductor.

The second category is fabless IC design houses with no foundry. This category is classified as high industrial specialization. Although their portfolios are not as complete as IDM, the barriers to entry are lower. Fabless IC design houses focus on specific applications of semiconductor components. Companies of this category include Qualcomm and MediaTek.

These two categories of semiconductor component suppliers are the upstream suppliers in the semiconductor distribution industry. Semiconductor components

distributors mostly secure the franchises through a distribution or agency model.

b. Semiconductor Distributors

Semiconductor distributors have no manufacturing plants themselves. They mainly distribute or act as agent for the semiconductor components of IDM or Fabless IC design houses. With their own value-added services, semiconductor distributors sell franchised semiconductor components to downstream electronics manufacturers including EMS, ODM and OBM. According to the scale and scope of business, semiconductor distributors can be divided into three categories.

The first category is international agents and distributors. Taking Arrow and Avnet from the United States for example, their franchised products and sales locations span the five continents. They have actively acquired the agents and distributors in Asia over the years to consolidate markets share

The second category is regional agents and distributors such as WPG, WT Microelectronics, and Supreme Electronics in Asia. In recent years, agents and distributors in Asia have actively invested in the Mainland China market through independent operation, M&A, holding companies, as well as strategic alliances.

The third category is territorial distributors and traders. Such distributors are concentrated in China, the factory of the world. As they are familiar with local laws and customers, they are popular among the distributors of the first and second category.

c. Downstream Product Manufacturers

Downstream product manufacturers can be divided into three categories.

The first category is original equipment manufacturers (OEM) or electronics manufacturing services provider (EMS). Such manufacturers mainly focus on production and manufacturing, supported by the capabilities of global logistics management, information system transparency, and product diversification. Companies of this category include Flextronics and more.

The second category is original design manufacturer (ODM). In addition to manufacturing capability, such manufacturers also accept design orders. Compared with EMSs, ODMs pay more attention to R&D investments and have relatively higher degree of control over electronics specifications and components used. Companies of this category include Quanta, Compal, Wistron, Pegatron, etc.

The third category is own brand manufacturer (OBM). In addition to design and manufacturing capability, such manufacturers are able to market their own brands. Compared with the first two categories of manufacturers, OBMs pay more attention to the product marketing strategies and market segmentation. Companies of this category include Sony, Lenovo, etc.

These three categories of product manufacturers are the most important customers

in the semiconductor distribution industry. In recent years, due to fierce competition in the industry and end customers' increased demand for Just In Time, Vendor Managed Inventory, and Build to Order, IDMs and Fabless IC design houses have been forced to zero in on their core competencies (e.g., formulation of industrial specifications, product design, and manufacturing) and gradually release direct orders of electronic components from the aforesaid three categories of product manufacturers to semiconductor components distributors. Such a move has created tremendous business opportunities for the semiconductor distribution industry, along with tremendous stress on working capital and management knowledge and has indirectly contributed to the business consolidation trend within semiconductor distribution industry in recent years.

d. Brand and Direct Sell Stores

The representatives of this category include global leading electronics brands such as Apple, Dell, HP, Acer, Asus, etc. The common ground of such vendors lies in most of them outsource product manufacturing and design operations to EMSs or ODMs, and focus on high value-added work such as brand management, product specifications design, marketing strategy planning, global logistics management, and online/offline sales channel management. These brands are the top tier of the industry supply chain; they are the predators in the supply chain.

e. Product Distributors

In Asia, for example, the representatives of this category include Synnex Technology International and Trigold Holdings. In addition to acting as agents or distributors of internationally renowned brands such as Lenovo, Dell, Sony, and Toshiba, such companies also distribute products of emerging OBM's such as Asus, Acer, MSI, etc. In recent years, they have also partnered with ODMs to sell their own information products to various display channels, corporate users, or direct sell stores. In the overall supply chain, they are the closest to consumers.

## II. The Role and Relevance of Semiconductor Distributors:



For upstream semiconductor suppliers, the role of semiconductor distributors is to support suppliers' sales of semiconductor components; for downstream product manufacturers, the main function of semiconductor distributors is to assist customers in purchasing semiconductor components that are indispensable to manufacturing. In addition to dealing with various semiconductor components with complex specifications that are irreplaceable, the supplementary value added services provided cover an even more extensive range that includes financial services, material management, logistics, and technical support, etc. The analysis of the seven major aspects is as follows:

### a. Product Promotion

To deliver semiconductor components to a large number of customers in the shortest possible time, upstream suppliers must cooperate with professional regional distributors. As the transactions involve specialized semiconductor products and professional buyers, distributors often have to recruit sales representatives and technicians who are familiar with the suppliers' products in order to provide suitable products and technical support and respond to customer needs instantly.

### b. Inventory Management

Due to requirement of semiconductor manufacturing, the standard delivery time for

upstream semiconductor suppliers or manufacturers averages around 12 weeks. Yet, for most of the customers, it is difficult to predict the exact demand 12 weeks beforehand. In recent years, due to fierce competition in the electronic information industry, customers have predicted shorter and more varied demand. The reason lies in brands have been making greater changes in demand forecast for products manufacturers (EMSs and ODMs) as well. Usually, demand is only confirmed for one to two weeks. Amidst the 10-week demand gap, distributors play a pivot role in coordinating and preparing appropriate safety stock to narrow the huge difference, thus maintaining the normal operation of the overall supply chain.

As a result, the more intense the competition of information industry is and the more uncertain future demand is, the more important semiconductor distributors' roles play.

c. Order Management

Due to the limited resources, upstream suppliers usually only provide direct services to a few large customers. Orders from many other small and medium customers thus need to be handled through distributors for efficient and instant services. After collecting the actual demand and demand forecast from many small and medium customers, distributors place orders collectively to suppliers for batch production. This greatly relieves the suppliers' stress on order management, and also helps suppliers maintain the stability and efficiency of their semiconductor manufacturers, ensuring that customers receive the agreed semiconductor components on the specified delivery dates in a predetermined quantity.

d. Sale Management

Except for few large-scale product manufacturers, most small and medium customers do not have enough orders to negotiate prices with semiconductor suppliers. This is where distributors weigh in. Through centralized orders, distributors can manage to lower the prices for small and medium scale customers; for suppliers, price is maintained through distributors, thus achieving the purpose of sales management.

e. Logistic Management

Suppliers only have to deliver products to distributors' designated warehouses in batches according to distributors' orders, which reduces the complexity of batch delivery operations, while distributors, are responsible to deliver the products in packaging (including labeling operations) requested, along with documents requested to locations specified by each small and medium scale customer in order to complete the logistic operation of semiconductor components. Distributors significantly save suppliers' time and costs on logistics management as well as



downstream customers' human resources and space needs.

f. Financial Management

In order to purchase semiconductor components directly from semiconductor suppliers, besides meeting considerable purchase quantities, buyers must have a certain level of credit rating and collateral, and also the ability to bear shorter payment terms. However, not all customers have the ability or willingness to pay such a price to complete the purchase of semiconductor components.

As a result, distributors play critical role as financiers. Distributors usually grant a certain line of credit to customers according to many objective conditions such as customers' history of bank transactions, credibility, business operations, person in charge's character, and usual transaction records, and payment terms better than those granted by suppliers to help customers obtain suppliers' products and services at a lower financing cost.

Through distributors, suppliers also familiarize themselves with the financing operations in the local market, so as to avoid financial risks and secure market share and business opportunities at the same time. The role the distributors play in financial and risk management is especially important in Asia market.

g. Information Management

Semiconductor suppliers' core competencies lie in semiconductor component research and development, manufacturing, and industry standard specification. Professional sales representatives and technicians are required to help collect market information and integrate customer needs to assist them in maintaining the core competencies. In this regard, distributors play an indispensable role in consolidating suppliers' specialties with sufficient local professionals. For customers, they can voice their needs collectively through distributors so that suppliers can provide more suitable products to help customers design and manufacture next-generation electronics.

The underlying role of semiconductor distributors is to serve as a bridge between suppliers and customers. In addition to standing on the front-line for suppliers, distributors serve as suppliers for customer to jointly tackle the challenges in the ever-changing markets. In addition to these two roles, distributors have to stay cautious with their own operations and profits, so as to maintain long-term viability in the ever-changing electronics industry.

### III. Sales and Competition in the Global Semiconductor Industry:

There is a clear substitute relationship between electronic component manufacturers and electronic component distributors (distributors) in terms of sales of electronic components. When electronic component manufacturers think it is more advantageous to sell products through their own marketing department, they are likely to withdraw the franchises. If electronic component manufacturers think it is more advantageous to sell products through

electronic component distributors, they will transfer the original territories or customers to the distributors. As a result, these two channels (direct sales and franchises) mutually substitute.

According to Gartner analysis, as shown in Table 4, it can be clearly seen that in the global semiconductor component sales structure, upstream semiconductor manufacturers (such as Intel, Samsung, MediaTek... etc.) directly sell to downstream finished product manufacturers or brand manufacturers (such as Foxconn, Quanta...etc.) accounted for as high as 63.4%; the remaining 36.6% was sold through distributors. The original factory's dominance is self-evident.

Table 4. Sales of Global Semiconductor Components Distributors

| Ranking                                               | W/W Semiconductor Distributor     | 2022 Revenue (US\$ million) | Share (%) | W/W Semiconductor Industry Share (%) |
|-------------------------------------------------------|-----------------------------------|-----------------------------|-----------|--------------------------------------|
| 1                                                     | Arrow Electronics                 | 24,615                      | 11.2%     | 4.1%                                 |
| 2                                                     | WPG Holdings                      | 24,480                      | 11.2%     | 4.1%                                 |
| 3                                                     | Avnet                             | 20,567                      | 9.4%      | 3.4%                                 |
| 4                                                     | WT Microelectronics               | 18,981                      | 8.7%      | 3.2%                                 |
| 5                                                     | Macnica Fuji Electronics Holdings | 6,679                       | 3.0%      | 1.1%                                 |
| 6                                                     | Toyota Tsusho                     | 5,497                       | 2.5%      | 0.9%                                 |
| 7                                                     | Future Electronics                | 5,489                       | 2.5%      | 0.9%                                 |
| 8                                                     | Supreme Electronics               | 5,468                       | 2.5%      | 0.9%                                 |
| 9                                                     | CECport                           | 5,441                       | 2.5%      | 0.9%                                 |
| 10                                                    | Edom Technology                   | 3,983                       | 1.8%      | 0.7%                                 |
|                                                       | Others Distributors/Traders       | 98,039                      | 44.7%     | 16.4%                                |
| W/W Semiconductor Industry - Distributors - Total     |                                   | 219,239                     |           | 36.6%                                |
| W/W Semiconductor Industry - Non-Distributors - Total |                                   | 380,324                     |           | 63.4%                                |
| W/W Semiconductor Revenue - Total                     |                                   | 599,563                     |           | 100%                                 |

Source: Gartner (compiled by WPG)

As previously described that whether it is the reality of the market regarding the sales of electronic components, or from the outlook of the IDM/fabless and customers, the two channels (direct sales and distributor/agency sales) have a close interchanging relationship. Over and above that, the long-term competition remains in the international, regional, and local distributors in the semiconductor sales market. Based on the judgment of consistency, WPG Holdings in the supply chain of electronic components provides sustenance for 1. Assistance in administration on behalf of the warehouse. 2. Assistance in design. 3. Response to the needs of the customer. 4. Instantaneous supply. 5. Satisfaction of dissimilar supply modes, 6. Assistance in supply chain management, certainly plays an extended role in sales contribution, to enhance the added value of the products, rather than seen on the surface only functions as a marketing channel. In fact, in the future, the relation between professional distributors, IDM/fabless and manufacturers must operate under such development to strengthen the interconnection between the distributor, IDM/fabless and manufactures and thus emphasize the contribution of distributors.

As reported by the figures from Gartner above, WPG Holdings accounted for 4.1% of the global semiconductor sales market, and there remains a long way to go which is marvelous and promising to cultivate the industry in the future.

### 5.1.3 Technology and R&D Overview

#### (1) WPG Holdings Ltd.:

The Company is an investment holding company. Technology and R&D is conducted by each Group under WPG Holdings.

#### (2) WPG Group:

- I. As a semiconductor components distributor, WPG supports product design and provides value-added services for customers. The R&D expenses in the most recent two years and as of the most recent quarter of the date of this annual report are shown in the following table.

Units: NT\$ thousands; %

| Item / Year               | 2021   | 2022   | Current year up to<br>March 31 |
|---------------------------|--------|--------|--------------------------------|
| R&D expenses              | 23,280 | 24,235 | 6,283                          |
| Percentage of revenue (%) | 0.003  | 0.003  | 0.004                          |

- II. Proportion of Expected Future R&D Expenses to Revenue (%):

WPG will continue to support product design and provide value-added services for customers in 2022. The proportion of expected future R&D expenses to revenue is estimated at 0.001%~0.01%.

- III. R&D Accomplishments in the Most Recent Year and as of the Date of this Annual Report:

WPG continues to provide solutions for different applications. An online digital platform, WPG DADAWANT, was launched in February 2009 to provide solutions for different applications in the following fields: consumer electronics, mobile phone and communication, computer & peripheral (including tablets), automotive electronics, and industrial electronics. The solutions are updated from time to time, with the latest hotspot solutions demonstrated online. The solutions proposed in 2021 are summarized below:

| Category   | Application                                                                       | Solutions                                                                                                                                                                                                                |
|------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| IoT        | AIoT, smart home, smart city, wearable device, smart medical treatment            | Smart lighting, smart tool, recognition monitoring system, home gateway, smart electricity meter, industrial data acquisition terminal, neck loop hearing aid                                                            |
| Automotive | vehicle networking, in-vehicle entertainment, vehicle electronics, vehicle safety | Sensor components with AI: Lidar, millimeter-wave radar, supersonic radar, camera lens; smart cockpit: IVI, fully digital dashboard, E-mirror, cockpit communication, panel display                                      |
| Power      | new energy, consumer, industry, automobile, communication                         | Lithium-ion battery charger, boost converter, power inverter, full-bridge LLC resonant digital power, BLDC motor control, in-vehicle inrush current limiter                                                              |
| More       | computers and peripheral products, industry, communication, consumer              | Smart load management, industrial barcode printer, motion sensor, BLDC motor control, wireless mouse with wireless charging device, industrial storage battery monitor, esports platform human machine interface display |

#### IV. Technologies or Products Planned to Develop in the Future

| Category              | Application                                                                                                                                                                    |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cleantech             | Solar power generation, wind power development, smart metering device, LED lighting switch                                                                                     |
| EV/IVI                | Advanced driver assistance system (ADAS) 、 information and entertainment system, battery management system (BMS)                                                               |
| High-efficiency power | DC-to-DC converter, automobile charging station, 5G communication cell site, inverter                                                                                          |
| More                  | Battery module development, industrial automation technology, improving technology and system development, traditional pollution control development, energy storage equipment |

#### 5.1.4 Long-Term and Short-Term Business Development Plans

##### (1) WPG Holdings

##### I. Short and Mid-Term Plan

In the face of challenging and turbulent economic environment nowadays, WPG continues to reinforce its global strategy and investments. Our strategy is to focus on Southeast Asia, Europe, and the Americas and expand our operation scope to provide clients with glocalized services. At the same time, we will strengthen the teamwork between the parent company and the subsidiaries and take initiative in obtaining more clients to expand our global market share and our impacts. Under the uncertain global economic environment, we have been shifting from globalized supply chain to a regional and localized supply chain. To ensure the sustainability of company operation, WPG endeavors to improve the supply chain resilience. In addition, we will reinforce internal management and procedure optimization to improve operational efficiency and effectiveness.

## II. Long-Term Plans

The objective of the long-term plan is to achieve strategic global presence, obtain more clients, offer globalized services to the clients, expand WPG's global market share and impacts, and create a new business model for our original profession as an electronic component agent.

- a. On the basis of strategic global presence, we will obtain more clients by making contacts with Global EMS and other European or US brand owners. We will establish corresponding service growth strategy and objectives for different client requirements to increase market impact.
- b. We will develop Global EMS and European and American brands with a strategic global layout to expand the customer base and design corresponding strategies for the growth and goals of the service to amplify the market influence in conformity with different needs of customers.
- c. We will achieve digital transformation and put the database to the cloud to ensure rapid utilization cross nation and cross region. We will establish smart procedures and deconstruct and modularize such procedures to improve the cost-efficiency of international logistic and minimize the completion time.
- d. We will create a new business module and expand customer base regarding our electronic components distribution business.

## (2) WPG Group

### I. Short-Term Plans

- a. **Expand all Components Product Lines and Enhance Portfolio Management**  
In the era of the post-pandemic, the increasing demands for the artificial intelligence in manufacturing, 5G application, smart network, low earth orbit satellite, the Cloud servers, Big Data Centers, automotive electronics, stimulate the perpetual growth of global semiconductors. According to 2022 Top 25 Semiconductor Supplier Report published by Gartner in 2022, WPG franchises more than 50% of the brands, including AMD, Broadcom, Infineon, Intel, Kioxia, MediaTek, Microchip, Micron, Novatek, NXP, onsemi, Qualcomm, Realtek, Samsung, ST Micro, and Western Digital. While we grow our market share, we continue to develop new product lines integrating new products and accelerating the increase of revenue share from information, communication, consumer, automotive electronics, industrial electronics, and IoT businesses.
- b. **Develop Sales Footprint**  
Managing sales footprint is key to our distribution strategy. In the midst of semiconductor components distribution transformation, WPG is gradually expanding our sales footprints to Japan, South Korea, India, Vietnam, and North

America in addition to existing footprints in Taiwan, Singapore, Hong Kong, and Mainland China, Japan, Korea, India, Vietnam, North America, and Europe so as to meet customer needs for expanding overseas presence, hence building a global distribution network of semiconductor components. In the future, we will continue to set up more points of sales following the steps of our clients expanding their business overseas. Also, we optimize our product portfolios and long-term viability through merging and acquiring other companies, establishing subsidiaries, and forging an alliance with local suppliers.

c. Seek to Expand Licensed Distribution Areas

By utilizing our managing results and experience in the Greater China Region, we seek to expand licensed distribution areas from the Greater China Region to Japan, Korea, India, Southeast Asia, North America, and Europe, etc.

d. Expand the agency and sales of new product lines to expand market share

For mainstream market application products, WPG is actively looking to be the agent of new product lines. We will continue to focus on the application of compound semiconductors and new technologies on newly emerged markets and search for competitive product lines in the area to ensure future growth.

e. Enhance FAE and Design-in Service

Currently, our application engineers provide the following services:

- Support customers' R&D project design
- Present technical briefings and demonstrate design results to customers from time to time.

Based on our professionalism and technical capabilities built on long-term customer services, WPG also continues to cooperate with system design houses to provide product solutions to clients, assist those with limited R&D resources, and even obtain patents, reinforcing close partnership with our clients.

f. Enhance Customer Relationship Management (CRM) and Supply Chain Management (SCM); Strengthen Horizontal Communication within Organization through Enterprise Resource Planning (ERP) to Accelerate Response Time

In addition to amplifying the sales and marketing engineers' knowledge of all production lines and new products, we build the tight cooperation between sales representatives and technical application professionals to offer value-added products with strong technical support, which is expected to create a better corporate image and increase the overall sales.

g. Improve Financial Structure and Soundness

Strengthen financial physique to improve the financial structure; diversify ways to raise funds; and reduce operating costs and business risks.

## II. Long-Term Plans

### a. Expand Distribution Foundation

Focusing its business on the distribution of semiconductor components, WPG has maintained good relationships with both suppliers and clients over the past four decades. With our logistics centers set up in Taiwan, Hong Kong, Shenzhen, Shanghai, Singapore, and America, we expect to tap into the business opportunities created by a wider range of electronic applications, as well as grasp market trends and key franchises, in hopes of becoming a one-stop distributor of semiconductor components.

### b. Implement Knowledge Management

To develop shared corporate cultures and values and continuously strengthen our management team for future growth. Build shared corporate cultures and values for domestic/overseas employees and systems to create lasting competitiveness and strong management team.

### c. Raise International Capital and Reduce Operating Costs

To raise funds from the international capital market, stabilize the capital sources, and strengthen strategic alliances to share risks. Obtain funds at a lower cost through the diversification of capital markets and wealth management tools to expand the scale of operation and maximize shareholders' value.

### d. Invest in Electronics Distribution-Related Business to Expand the Scope of Business

Distribution of semiconductor components will remain the core business of WPG in the long run. With core business as foundation, WPG will extend the investment to related business of electronics distribution, in order to expand services provided to customers within the industry.

## 5.2 Market and Sales Overview

### 5.2.1 WPG Holdings: N/A

### 5.2.2 WPG Group:

#### (1) Market Analysis

#### I. Sales Region of Main Products (services)

Units: NT\$ thousands; %

| Year<br>Region | 2021        |            | 2022        |            |
|----------------|-------------|------------|-------------|------------|
|                | Net Sales   | Percentage | Net Sales   | Percentage |
| Taiwan         | 105,771,643 | 13.59      | 106,998,393 | 13.80      |
| Mainland China | 615,605,675 | 79.07      | 608,698,934 | 78.52      |
| Others         | 57,195,397  | 7.34       | 59,535,095  | 7.68       |
| Total          | 778,572,715 | 100.00     | 775,232,422 | 100.00     |

#### II. Market Share

According to Gartner statistics in 2022, WPG is the largest semiconductor distributor in

Asia and the second largest in the world, accounting for 4.1% of the global semiconductor market sales.

### III. Future Market Supply/Demand and Growth

#### a. Supply

Due to China-US trade war and the COVID-19 pandemic, people's daily life, consumption, work, and study patterns have been changed, resulting in short in supply, especially mature transistor processes. Foundries such as TSMC, UMC, SMIC, etc., traditional IDM such as Intel, STMicro, and Fabless IC Design House such as Qualcomm, Novatek, MediaTek, etc., all continue to invest in advanced semiconductor equipment, technologies, and processes to meet the market needs.

#### b. Demand

In the era of post-COVID-19, demand arise from new types of innovative application products such as smart living, artificial intelligence in manufacturing, 5G infrastructure and enterprise network construction, edge computing intelligence, AIoT, new energy vehicles, ADAS self-driving vehicles, etc. that integrates multifunctional semiconductors, such as High-Performance Computing (HPC), Low-Power System-on-Chip (SoC); diverse types of sensors (MEMS, optical, non-optical sensors), the driver chips for under-screen fingerprint recognition, Ultra-Low Power Microcontrollers (MCU), Bluetooth Low Energy (BLE), Internet of Things (IoT) modules, etc.

#### c. Growth

In recent years, approximately 80% of WPG Group's sales revenue come from shipments to Mainland China. The growth of sales revenue in Mainland China was mainly driven by continuous urbanization, increased income of the population born after 1990s, and relatively low popularization of 4C products, as well as the promotion of government policies.

As Taiwanese companies accelerate the transfer of production sites to South Asia, WPG is now poised to assist Taiwanese and Chinese companies expand their global presence seamlessly with well-established footprints in India and other South Asian countries.

### IV. Competitive Niche

#### a. Professional Image

WPG has managed the distribution of semiconductor components for over three decades, with its professional image highly recognized in the industry. For a sixth consecutive year, the Company was in the top 5% of the listed companies in the corporate governance evaluation. In 2022, the Company won Taiwan Top 100 Sustainability Model Company Award and a gold medal in the Corporate



Sustainability Report- Service Category. It was the fifth consecutive time that the Company has received such awards and the scores were even higher than the year before. Our value-added services have been well recognized in the semiconductor supply chain.

The results of these evaluations indicate that the technology industry is moving toward a new era of software and applied services. The value-added services WPG provides in the semiconductor supply chain are not only recognized by our customers and suppliers, the reflected business performance is also highly recognized by professional investors.

b. Complete Product Lines

WPG has evolved into a professional semiconductor components distributor with years of marketing experience and accumulated acute judgement on market trends. Our franchised products include central processing unit (CPU), chipset, logic IC, linear IC, memory, distributed-element circuit, and application-specific IC, covering all segments of semiconductor components. The Company also add PEMCO to our portfolio in order to offer the convenience of one-stop-shopping to our customers.

(i) Expansion of Applications Scopes

Besides distributing product lines that cover the well-known 3C (Computer & Peripheral, Communications, and Consumer) applications, the Smart Living, Artificial Intelligence in Manufacturing, 5G Infrastructure and the Construction for the Enterprise Network, Low-Orbit Satellite communication, Metaverse Virtual Reality Hardware, Edge Computing Intelligence, Industrial Internet of Things, Electric Vehicles, ADAS self-driving Vehicles, and Energy Storage Equipment, etc. are also WPG's focus.

(ii) Asia-wide Operating Locations

WPG has approximately 104 operating locations around the world (76 in Asia-Pacific and 28 in Northern American). The advantages of expanding operating locations lie in the ability to meet customers' component needs in response to downstream clients moving overseas and the flexibility in inventory managing. Having various operating locations also gives us more bargaining power when securing new product line franchises with overseas suppliers.

(iii) Competent Management Team

Our management team consists of a group of people with shared ambition to achieve success in business. They share the same business philosophy and their minds are in sync. Along with years of industry knowledge, our management team consistently deliberate business strategies for semiconductor components distributors and sought to create market value through teamwork. The

significant increase in revenue and profit in recent years has proved the competency of the management team.

(iv) Complete Information Management Systems

WPG actively develops and uses information technology such as ERP, EDI, and Internet Services to improve the sales and management efficiency. Coupled with the advantages of our franchised products and various footprints, we have also introduced digital processes, automated equipment, and application programming interfaces (API) to support third-party warehousing management, to create a highly efficient smart warehouse. With the highly efficient logistics management system, we are able to transact in the most rapid and accurate way. Our clients can place orders in any Asia-Pacific footprint and have products delivered to any location they designate to save time and transportation costs. This has laid a solid foundation for e-commerce of semiconductor components distributors in the future.

(v) Value-Added Services

We provide the following value-added services for our customers as a supplier, consultant, and business partner:

(a) Special Delivery

- Provide special delivery per customers' special requirements
- Provide prompt delivery, cross-border transactions, and other international services for overseas customers

(b) Market Information

- Analyze and exchange industrial information.
- Issue "WPG E-paper" biweekly to provide the latest market information, trends, and suggestions
- Established website to satisfy purchase needs of small and medium scale businesses and limited quantity purchase
- Provide the latest product specifications in a timely manner

(c) Technical Support

- Field application engineers (FAE) support customers in product testing and design

(d) Technology Tools

- Established online portal to enable the exchange of information globally
- Established EDI system that connects with upstream and downstream partners and RosettaNet that connects with suppliers to transmit sales data instantly and accurately

(e) Financial Support

- Allow cross-border transactions and payment, and support customer migration
- Provide credit lines for customers to promote mutual prosperity
- Enable the BTO model.

(f) Distributor Value Well Recognized by Suppliers

WPG has gained an excellent reputation with 30 years of experience in the semiconductor components distribution industry. While some suppliers approach WPG proactively for franchise, WPG selects suitable products to franchise among suppliers as well. Being highly recognized by suppliers, WPG owns certain level of bargaining power for favorable deals while continues to increase number of franchised products by offering professional marketing and well-established footprints. This has shown that WPG is competent in franchising and has successfully created semiconductor components distributors' value.

V. Advantages and Disadvantages of the Development Prospects and Countermeasures

a. Advantages

(i) Complete Franchised Brands and Components

Our suppliers, including Intel, Qualcomm, Mediatek, Infineon, SAMSUNG, Micron, Toshiba, and ST Micro, are continuously developing new products to create new demand and stay competitive. WPG is positioned as a one-stop-shopping distributor with franchised products ranging over distributed-element circuit, linear IC, logic IC, basic memory, central processing unit/microprocessor, application-specific IC, and application-specific controller.

(ii) Enhanced Portfolio Management

Our portfolio centers on manufacturers of various types of popular consumer products such as Apple and Amazon, and traditional 3C products. Other key potential markets include industrial applications such as smart manufacturing, smart Healthcare, smart home, smart car, and smart transportation derived from big data and IoT, as well as IoT-related applications, renewable energy-based vehicle applications, video surveillance, machine tools, industrial control and instruments, etc. Besides coping with customer strategy development and enhance our technical support capabilities among new applications to expand demand creation business, we aim to optimize self-management ability, such as inventory control, accounts receivable, etc., to increase overall output value.

In addition, WPG Overseas Business Group continues to develop overseas operations. Facing the possibility of customer supply chain migration, we believe we are capable of responding quickly and provide satisfying services

based on our solid foundations.

(iii) Industry Profession-oriented Marketing Department

WPG's marketing department specializes in specific industry or area, including NB, communications/network, and consumer electronics, etc., provides professional service, and develop long-term customer relationships. Our operating footprints span across Asia-Pacific including Taiwan, Hong Kong, Singapore, Mainland China, South Korea, Japan, and Southeast Asia.

(iv) Wide Range of Technological Applications and Design Services

Currently, WPG has hundreds of technology related engineers who assist clients complete design faster in order to grasp business opportunities early and secure higher profits and market share.

(v) High Value-Added Supply Chain Management

We serve high-tech product manufacturers in Asia-Pacific using the connected purchase, sales, and inventory system built on the ERP system and e-commerce, coupled with the existing support, logistics and warehouse systems. Aiming to become a data-driven enterprise, WPG adopts a customer-oriented (C2B) approach to meet customers' needs in a flexible and efficient way, address customers' pain points, and provide fast and accurate services. With instant, transparent information, we build a reliable collaborative ecosystem together with our customers. Launched in 2018, WPGDADAWANT currently consists of five sub-platforms that operate under an online-to-offline (O2O) model, strengthening WPG New Distribution philosophy through internal and external promotion, as well as optimization of Inbound Marketing platform.

b. Disadvantages and Countermeasures

(i) Foreign companies' acquiring local competitors/Countermeasures:

- (a) Strengthen and develop better relationship with suppliers and customers through emphasizing local partner's flexible services and long term partnership
- (b) Enhance employee training to increase familiarity of franchise products to provide customers the convenience of one-stop shopping, fully showing value of semiconductor components distributors
- (c) Strengthen employees' sales management digital skills to improve personal output; introduce incentive policy to motivate sales and to increase competitiveness
- (d) Establish resource sharing platform to integrate local companies

(ii) Short Product Life Cycle/Countermeasures

- (a) Hold sales meetings weekly/monthly to review the purchases/sales of

components clients use for production and product development; enhance computer data management system to access accurate inventory aging analysis and develop countermeasures

- (b) Strengthen product/market development; closely observe new trends in products and markets to set directions for WPG and to introduce new franchises and new clients accordingly
- (c) Provide integrated product design based on the needs of the market and clients to assist clients complete design in a timely manner and thus grasping market opportunities
- (d) Continue investing and expanding franchised product region to provide better services and grasp potential business opportunities of those who migrate for a lower production cost or longer product life cycle.

(2) Important Applications and Manufacturing Process of Main Products

I. Applications of Main Products

| Main Product Category                                 | Product Name and Applications                                                                                                                                     |
|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Core components                                       | Chipset, graphics/audio/video controller, smartphone chip, network/modem chipset, GPU, CPU/MPU, RISC CPU, etc.                                                    |
| Analog IC and mixed-signal Component                  | Bipolar, CMOS operational amplifier, comparator, digital/analog converter, power supply controller, audio and video amplifier or controller, etc.                 |
| Discrete logic IC                                     | Diode, rectifier, transistor, thyristor, insulated-gate bipolar transistor, SiC, GaN, optical transistor, logic IC, etc.                                          |
| Memory                                                | DRAM, SRAM, EPROM, EEPROM, Flash, MCP, etc.                                                                                                                       |
| Optical components                                    | LCD, sensor, LED, etc.                                                                                                                                            |
| Passive components, connector, and magnetic component | Resistor, capacitor, inductor, magnetic component, cable, connector, mechanics, electromechanics, circuit protection, material, battery, filter, oscillator, etc. |
| Others                                                | Non-electronic component                                                                                                                                          |

II. Manufacturing Process of Main Products: Omitted. (WPG Group is not a manufacturing company.)

(3) Supply of Raw Materials: Omitted. (WPG Group is not a manufacturing company.)

(4) Major Suppliers and Customers in the Last Two Years

I. Suppliers that Accounted for at Least 10% of Annual Consolidated Net Purchases in Either of the Most Recent Two Years

Unit: NT\$ thousands; %

| Item | 2021          |             |                                  |                   | 2022          |             |                                  |                   |
|------|---------------|-------------|----------------------------------|-------------------|---------------|-------------|----------------------------------|-------------------|
|      | Name          | Amount      | As % of 2021 Total Net Purchases | Relation with WPG | Name          | Amount      | As % of 2022 Total Net Purchases | Relation with WPG |
| 1    | Micron        | 158,649,073 | 20.39                            | None              | Micron        | 134,024,507 | 17.38                            | None              |
| 2    | INTEL         | 106,432,103 | 13.68                            | None              | INTEL         | 96,377,133  | 12.50                            | None              |
| 3    | Others        | 512,905,457 | 65.93                            | -                 | Others        | 540,764,766 | 70.12                            | —                 |
|      | Net Purchases | 777,986,633 | 100.00                           | -                 | Net Purchases | 771,166,406 | 100.00                           | —                 |

Reason for Increase or Decrease: WPG maintains long-term partnership with main suppliers; the source of purchase is stable.

Due to a 0.43% decrease in revenue for the fiscal year of 2022, the amount of purchases from suppliers decreased compared to the fiscal year of 2021.

II. Customers that Accounted for at Least 10% of Annual Consolidated Net Revenue in Either of the Most Recent Two Years

WPG has a wide range of product lines and various customers. No customer was accounted for more than 10% of the net revenue in either of the most recent two years.

(5) Production in the Most Recent Two Years: Omitted. (WPG Group is not a manufacturing company.)

(6) Sales in the Most Recent Two Years

Units: NT thousands; %

| Year<br>Product category                             | 2021        |            | 2022        |            |
|------------------------------------------------------|-------------|------------|-------------|------------|
|                                                      | Net Sales   | Percentage | Net Sales   | Percentage |
| Core components                                      | 238,663,186 | 30.65%     | 279,342,947 | 36.03%     |
| Analog IC and mixed-signal Component                 | 74,516,191  | 9.57%      | 73,035,947  | 9.42%      |
| Discrete logic IC                                    | 105,137,035 | 13.50%     | 93,442,973  | 12.05%     |
| Memory                                               | 225,013,454 | 28.90%     | 214,267,553 | 27.64%     |
| Optical components                                   | 80,519,200  | 10.34%     | 63,621,903  | 8.21%      |
| Passive components, connector and magnetic component | 40,387,173  | 5.19%      | 35,004,053  | 4.52%      |
| Others                                               | 14,336,476  | 1.85%      | 16,517,046  | 2.13%      |
| Total                                                | 778,572,715 | 100.00%    | 775,232,422 | 100.00%    |

Note: WPG has a wide range of product lines in different unit that cannot be calculated by the same unit; therefore, only the sales value is displayed by product category.

### 5.3 Employees

#### 5.3.1 WPG Holdings

| Year                     |                                 | 2021  | 2022  | Current Year up to April, 27 |
|--------------------------|---------------------------------|-------|-------|------------------------------|
| Number of employees      | Sales and marketing             | —     | —     | —                            |
|                          | Administration                  | 338   | 365   | 378                          |
|                          | Total                           | 338   | 365   | 378                          |
| Average age              |                                 | 38.2  | 37.7  | 37.7                         |
| Average year of services |                                 | 8.6   | 8.6   | 8.7                          |
| Educational background   | Ph.D.                           | 0.6%  | 0.3%  | 0.3%                         |
|                          | Master's degree                 | 21.9% | 19.8% | 19.6%                        |
|                          | Bachelor's degree               | 76.0% | 77.9% | 78.0%                        |
|                          | (Vocational) Senior high school | 0.9%  | 1.5%  | 1.6%                         |
|                          | Below Senior high school        | 0.6%  | 0.5%  | 0.5%                         |

### 5.3.2 WPG Group

| Year                     |                                 | 2021   | 2022   | Current Year up to April, 27 |
|--------------------------|---------------------------------|--------|--------|------------------------------|
| Number of employees      | Product sales technology        | 3,807  | 3,922  | 3,940                        |
|                          | Administration support          | 1,466  | 1,487  | 1,481                        |
|                          | Total                           | 5,273  | 5,409  | 5,421                        |
| Average age              |                                 | 39.1   | 39.7   | 40.1                         |
| Average year of services |                                 | 8.5    | 9.1    | 9.2                          |
| Educational Background   | Ph.D.                           | 0.06%  | 0.04%  | 0.04%                        |
|                          | Master's Degree                 | 7.85%  | 7.75%  | 7.56%                        |
|                          | Bachelor's Degree               | 82.78% | 83.73% | 84.26%                       |
|                          | (Vocational) Senior High School | 4.78%  | 4.49%  | 4.41%                        |
|                          | Below Senior High School        | 4.53%  | 3.99%  | 3.73%                        |

5.3.3 The Personnel related to Financial Transparency Who Obtain Related License Required by the Competent Authorities: Four employees of the Auditing Office hold an international internal audit certificate.

## 5.4 Environmental Protection Expenses

The Company shall disclose losses caused by environmental pollution in the most recent year up to the date of this annual report (including environmental violations identified in the audit and punishments thereof, the date of punishment, Letter No. of punishment, provisions of laws and regulations violated, contents of laws and regulations violated, and the content of the punishment), and the estimated amount and countermeasures that may occur at present and in the future; where the amount cannot be reasonably estimated, the fact that the amount cannot be reasonably estimated shall be stated:

WPG Holdings and WPG Group purchase, distribute, and develop electronic components, which involves no environmental pollution; therefore, no environmental protection expenditures are applicable to be disclosed.

## 5.5 Labor Relations

5.5.1 employee rights Benefits, Continuing Education, Training, Retirement System and implementations thereof, and Labor Agreements as well as Measures for Preserving Employees' Rights and Interests

Employees are our most valuable asset. When employees devote wholeheartedly to work and create profits for the Company, the Company has the responsibility to take care of them in return. WPG Holdings and WPG Group offer generous employee benefits, including



wedding, birth, and funeral subsidies, emergency relief, and club activities. WPG Holdings and WPG Group establish different units to plan recreational activities for employees such as family days, domestic incentive tours, dining events, as well as artistic and cultural activities, in accordance with the employee welfare regulations, so as to build cohesion among employees and increase employees' identification with the organization.

(1) In Accordance with the Corporate Culture of Each Member, WPG Holdings and WPG Group Offer Generous Employee Benefits as follows:

I. Generous Employee Benefits:

Employee benefits include the Moon Festival bonus, Dragon Boat Festival bonus, year-end bonus, defined contribution pension plan, domestic incentive tours, interest-free auto loans and maintenance allowances, parking allowances, mobile phone bill allowances, and computer subsidies, as well as various club activities such as the bicycle club, study group, golf club, and wine tasting.

II. Comprehensive Insurance and Protection:

By government regulations, we provide employees with labor insurance, national health insurance for employees, their families, and retirees, and also provide employees with free group insurance and family group insurance discounts, including term life insurance, critical illness insurance, accidental injury insurance, accidental medical limit insurance, and hospitalization medical insurance, cancer health insurance, etc.

III. Additional Leaves:

Employees' leaves and days-off are offered in line with the Labor Standards Act, coupled with one-day birthday leave.

IV. Wedding and Funeral Subsidies and Emergency Relief:

Wedding and funeral subsidies, and emergency relief for employees cover wedding, childbirth, retirement, and death of employees or their dependents.

V. Childcare-friendly workplace environment

Promoting a child-raising friendly workplace atmosphere, stipulating childcare leave in accordance with relevant laws and regulations, and setting up nursing rooms for childcare employees. WPG World Peace Group kindergarten has been established for 19 years, providing professional and trustworthy childcare environment for WPG employees.

VI. Regular health check ups for employees:

WPG provides regular employee health check ups once every two years for office employees and once every year for warehouse and logistics employees. On-site health consultation services by professional medical personnel is also available in office building.

(2) Continuing Education and Training:

We attach great importance to employees' learning and development. Our employee training is divided into internal training, external training, and knowledge management.

I. Internal Training

Internal training in 2022:

| Number of trainees | Number of training hours | Training expenses  |
|--------------------|--------------------------|--------------------|
| 80,162             | 85,894                   | 18,997,000 dollars |

Internal training includes orientation, management training, professional training, and other general knowledge type of training activities:

a. Orientation:

Orientation covers WPG company overview, business philosophy, HR rules and systems, corporate website, instructions on common system operations, occupational health and safety, and legal affairs.

b. Management Training:

The Company holds executive meetings every month and organize supervisor trainings from time to time to discuss business strategies and directions. The trainings are meant to help participants to develop strategic management competence.

c. Professional Training:

Each department conducts professional training from time to time according to job requirements and specialties. For example, offering training for trade compliance to intensify employees' knowledge of international trade norms, etc. At the same time, internal professional practices are passed down through the lessons learned courses developed by key business units.

d. Other General Knowledge Type of Trainings:

The Company regularly organizes soft-power lectures within the company and promotes proactive learning by providing employees with the access to the Common Wealth Leader Campus learning platform to watch online learning courses according to their own needs.

II. External Training

Employees may apply for external training according to the job requirements and personal development plans or per supervisors' requests. External training in 2022:

| Number of trainees | Number of training hours | Training expenses |
|--------------------|--------------------------|-------------------|
| 124                | 1,704                    | 716,000 dollars   |

The details of external professional training courses in 2022:

|              |
|--------------|
| Course Title |
|--------------|

| Course Title                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Function and Mission of Corporate Governance Officer in the Corporate Governance Blueprint                                                        |
| The Latest Development on the Practice of Insider Trading in Taiwan                                                                                   |
| Matters Needing Attention Regarding Shareholders' Meetings and the Company Act                                                                        |
| 2022 The Basis of Corporates Forum                                                                                                                    |
| 2022 The 26th National Technology Law Conference                                                                                                      |
| 5G and advanced antenna design and inspection practices                                                                                               |
| Angular Advanced Development Workshop                                                                                                                 |
| AP2700 Training Course Series: Basic Operation of AP2700                                                                                              |
| (AZ104) AZ104 Microsoft Azure Administrator Certification Course                                                                                      |
| AZ104 Microsoft Azure Administrator Certification Course                                                                                              |
| AZ204 Microsoft Azure Development Solutions                                                                                                           |
| AZ305 Design Microsoft Azure Basic Structure Solutions                                                                                                |
| AZ400 Microsoft Azure DevOps Solutions                                                                                                                |
| CSM(Certified ScrumMaster) Agile Development Professional Certification Course                                                                        |
| CSPO(Scrum Product Owner) Agile Development Professional Certification Course                                                                         |
| DDG Brand Evolution Theory                                                                                                                            |
| DP203 Microsoft Azure Cloud Big Data Engineer                                                                                                         |
| Non-financial Information Report under the Trend of ESG Development                                                                                   |
| Excel Practice Advanced Course: Master Pivot Analysis                                                                                                 |
| ISO 14001:2015 Environmental Management Systems                                                                                                       |
| ISO 9001:2015 - Quality Management Systems                                                                                                            |
| NOV08—Analysis of Key Practices of each Tax Reconciliation Chart                                                                                      |
| Power BI Data Analysis                                                                                                                                |
| SL-275-SE11 Java SE11 Programming Language Design                                                                                                     |
| TIPS (Level A) and Corporate Governance : Training Course on Intellectual Property-related Laws                                                       |
| TWS Bluetooth Headphones LE Audio Development and Integrated Design                                                                                   |
| Development Trend of Internet Technology and the New Thinking of Internal                                                                             |
| Company Mergers and Acquisition: Analysis of Laws, Acquisition and Division Models, Tax Planning, and the Practices of Election and Management Rights |
| Market Scale Prediction and Evaluation                                                                                                                |
| Sustainability Report and ESG Report-GRI Training Course                                                                                              |
| Corporate Sustainable ESG Investment in Human Resource Management System                                                                              |
| Corporate Sustainability Administrator Certificate Training Course                                                                                    |

|                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Course Title                                                                                                                                              |
| Cash-Out Merger, Protection of Shareholders' Rights, and Avoidance of Conflict of Interest for Board Members in the Business Mergers and Acquisitions Act |
| Legal Compliance of Corporate Social Responsibility and Sustainability Report                                                                             |
| Common Internal Control Deficiency Patterns in Each Operating Cycle                                                                                       |
| How to Explore and Improve the Operation using Digital Technologies                                                                                       |
| Job Applicant Experience Workshop: Improving the Employer's Brand Image                                                                                   |
| Matters Needing Attention Regarding the Declaration of Personal Income Tax in Taiwan and Mainland China                                                   |
| Occupational Safety for the Logistics Industry                                                                                                            |
| Case Study and Analysis of Shareholders' Meeting Disputes                                                                                                 |
| Offensive and Defensive Strategy in Merger and Acquisition and the Responsibilities of the Responsible Person of the Company                              |
| Impacts and factors of Climate Change and Sustainable Development Trend on Corporate Internal Control From the Perspective of ESG Risks                   |
| Face the Adversity, Build the Growth Mindset in Four Ways                                                                                                 |
| Procedure and Case Study of Regional Joint Development                                                                                                    |
| Forklift Operators On-the-Job Training                                                                                                                    |
| Determining Reinforcement of Internal Control Legal Compliances Using Actual Sanctioning Cases                                                            |
| Intelligence Interpretation, Analysis, and Decision-Making                                                                                                |
| Practical Workshop on Identifying Fraudulent Financial Statements                                                                                         |
| Eight Major Aspects of Labor Law Compliances                                                                                                              |
| The Latest Legal Compliance and Fraud Prevention Practices Regarding Internal Control System Regulations and Information Safety Laws                      |
| Carbon Reduction Issues and its IFRS Accounting Process                                                                                                   |
| Quantitative Trading: Theory and Application of Taiwan Index Monthly Example Program                                                                      |
| Responses to the Newly Revised Internal Control System Regulations                                                                                        |
| Loaning of Funds, Making of Endorsements, and the Acquisition and Disposal of Assets                                                                      |
| EV Motor Driving System and its G2V/V2G Movement                                                                                                          |
| Leaders' Decision-Making Process                                                                                                                          |

|                                                                                         |
|-----------------------------------------------------------------------------------------|
| Course Title                                                                            |
| Business Secret Protection and Fraud Prevention Practices                               |
| Advanced Course of Business Tax Practices                                               |
| On-the-Job Training for Occupational Safety and Health Supervisors                      |
| Key Talent and Successor Development                                                    |
| Digital Design of Variable-Frequency Drive and the Application of Power Grid Connection |

T

he details of management team attending corporate governance-related continuing education and training in 2022:

| Management team                         | Course name                                                                        | Training hours |
|-----------------------------------------|------------------------------------------------------------------------------------|----------------|
| Mike Chang<br>(CEO)                     | Green Transformation—Sustainable Management of Supply Chain and Green Operation    | 3 hours        |
|                                         | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate            | 3 hours        |
| Cliff Yuan<br>(Chief Financial Officer) | Non-financial Information Report under the Trend of ESG Development                | 3 hours        |
|                                         | Case Study and Analysis of Shareholders' Meeting Disputes                          | 3 hours        |
|                                         | Practical Workshop on Identifying Fraudulent Financial Statements                  | 6 hours        |
|                                         | Green Transformation—Sustainable Management of Supply Chain and Green Operation    | 3 hours        |
|                                         | U.S.-China Trade and Geopolitical Conflict: How Businesses Can Navigate            | 3 hours        |
| Shu-hui Chen<br>(Internal Audit)        | Development Trend of Internet Technology and the New Thinking of Internal Auditors | 6 hours        |

| Management team | Course name                                                                                                                             | Training hours |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Officer)        | Impacts and factors of Climate Change and Sustainable Development Trend on Corporate Internal Control From the Perspective of ESG Risks | 6 hours        |
|                 | The Latest Legal Compliance and Fraud Prevention Practices Regarding Internal Control System Regulations and Information Safety Laws    | 6 hours        |

### III. Knowledge Management

The Company established a knowledge management platform in which learning resources and standard operating procedures of every department are properly categorized, managed, and shared for employees to use at work.

#### (3) Retirement System:

##### I. Monthly Contribution to Pension:

The company appropriates pension reserves each month in accordance with the Labor Standards Act. The company and domestic subsidiaries stipulate employee retirement measures in accordance with the Labor Standards Act, which are defined benefit plans, and in accordance with the Labor Standards Act, the monthly labor pensions are in line with the old system of seniority employees' 2% of the total salary is allocated to the retirement reserve, which is supervised by The Labor Pension Preparation Supervisory Committee and deposited the fund in its name in the special account of the Bank of Taiwan, which is in charge of receiving and disbursing, keeping, and using the fund.

##### II. Qualifications and payment standards for applying for retirement

###### a. Self-applied retirement :

Workers can apply for retirement under one of the following circumstances: (for those who choose to apply the Labor Pension Regulations, they shall be handled in accordance with the provisions of the same regulations)

- (i) Those who have worked for more than 15 years and have reached the age of 55.
- (ii) Those who have worked for more than 25 years.
- (iii) Those who have worked for more than 10 years and have reached the age of 60.

###### b. Mandatory retirement

The company shall not force employees to retire if they are not in one of the following circumstances:

- (i) Those who are 65 years old or older.
- (ii) Loss of mind or physical disability is incapable of being a qualified worker.

For the age specified in the first paragraph of the preceding paragraph, the company may report to the central competent authority for approval and

adjustment for workers with special characteristics such as dangerous and strong physical strength. But the employee may not be less than 55 years old.

c. The standard for giving employee pensions is as follows:

Employees who choose to continue to apply the old system and the retained service years before applying the new system, their pension payment standards are as follows:

- (i) Two bases will be given for each full year according to their years of service, but one base will be given every full year after 15 years of service is 30 bases, and the maximum total is limited to 45 bases. Those who are less than half a year will be counted as half a year; those who have been half a year will be counted as one year.
- (ii) For employees who are forced to retire in accordance with the second paragraph of Paragraph 1, Article 6 of these Measures, if their loss of mind or physical disability is caused by the performance of their duties, 20% shall be added in accordance with the provisions of the preceding paragraph.
- (iii) The standard of pension base refers to the average monthly salary at the time of retirement approval.
- (iv) The calculation of average monthly salary is calculated by dividing the total salary of the six months prior to the effective date of retirement by the total number of days in that period.

III. Personal Labor Pension Account:

The company applies the Labor Pension Act pension system. According to the regulations, the company shall bear a labor pension contribution rate of not less than 6% per month in accordance with the Labor Pension Act. The company and its domestic subsidiaries stipulate employee retirement measures in accordance with the regulations, which are a definite allocation plan, and withdraw 6% according to the monthly salary grading table approved by the Executive Yuan and deposited in the employee's pension accounts at the Labor Insurance Bureau.

IV. Appropriation situation

Until December 31 ,2022, the Group's definitive benefit plan is expected to allocate 7,516,000 dollars in the next year, and the weighted average duration of the retirement plan is 7 to 12 years.

(4) Employee stock ownership trust

In order to make up for the lack of social insurance-related labor retirement protection for Taiwanese employees and encourage employees to plan for retirement as soon as possible, in 2020, the Taiwanese employee stock ownership association was established and delivered to the trust. Employees who have worked for more than one year can freely apply to enter the trust. A fixed amount is deducted each month to purchase company shares, and company relatively allocates incentives to serve as additional benefit. This

ESOT is aimed to not only assists employees in creating better retirement plans, but also provides a diversified profit-sharing mechanism to attract and retain talents. The company aims to encourage employees to work together with the company for a win-win situation. Upon first application, 90.0% of employees participated. In 2022, the coverage rate increased to 91.6%, its net assets were 409,206,000 dollars , and the cumulative rate of return was 1.04%.

(5) The Company does not have a Union. The rights and benefits of the employees follow Labor Standards Act.

(6) Protective Measures for the Work Environment and Employees' Personal Safety:

WPG Holdings and WPG Group establish dedicated safety and health management units to continuously improve safety and health measures in order to build a quality workplace. We also organize safety awareness training and healthy promotion activities to effectively strengthen our employees' ability to protect their safety and health at work.

To fulfill corporate social responsibility and protect employees' safety, we view building a safe, healthy, and comfortable work environment as our top priority and promote health and safety management to develop accurate health concepts and mindsets. We take the following health and safety measures:

- I. Maintain and clean central air-conditioning in the office twice a year and disinfect the office from time to time.
- II. Inspect office environment such as water quality on a regular basis.
- III. Sanitize meeting entrance/exits daily and provide hand sanitizers at sinks to prevent epidemic diseases and maintain employee healthiness
- IV. Require new recruits to participate orientation to familiarize work environment and work safety.
- V. Organize health education from time to time to reduce the occurrence of accidents.
- VI. Conduct regular health examinations for employees and follow up their health conditions.
- VII. Organize health promotion activities such as mountain climbing, ball games, and hiking to encourage exercise habits
- VIII. Prohibit smoking in the office to ensure a non-smoking work environment.
- IX. Promote energy saving and environmental protection initiatives in the office.
- X. Purchase liability insurance for employees on their way to work/home to ensure safe work environment.
- XI. Install and regularly maintain firefighting facilities and equipment in line with firefighting regulations.
- XII. Implement the Act of Gender Equality in Employment and regulations regarding



prevention of sexual harassment in the office.

(7) Evaluation on Employee Code of Conduct:

The Company places great importance on the Employee Code of Conduct. We appointed three independent directors and established the Audit Committee, composed of all independent directors, to supervise our management team and executives to set good examples with their own conduct. We also take the following measures:

I. Promote and Carry Out the Core Values of WPG:

Our vision is to become the first choice of industry and to become the benchmark of distribution. Upholding the shared values of teamwork, integrity, professionalism and effectiveness, we have the Employee Code of Conduct in place to guide employees' conduct in business activities and build cohesion among employees. Annual activities are also organized to promote the shared values of WPG, allowing employees to experience their true meanings in daily life and work. WPG's shared values are described as follows:

a. Teamwork:

The interests of WPG are always the first to consider. Should there be a conflict of interests, groups' benefits take priority over personal bias, prejudice and motivation. We accelerate integration of same function teams among companies and regions. No prejudices in nationalities or regions but balanced interests and fairness shall prevail.

b. Integrity:

We take an attitude toward upright and law-abiding operation, along with enthusiastic services. We make no light promises and always walk the talk. Our employees are committed to transparent operation and have the courage to admit mistakes and make corrections in time.

c. Professionalism:

We aim to become the first choice of stakeholders, including clients, vendors and shareholders, to construct a learning environment where individuals and groups continually enhance skill, and to focus on core operation and implement the assigned tasks strictly.

d. Effectiveness:

Our highlights are output, the quantity of capacity, and balance of both. Our employees set quantifiable objectives, are strict on details, and accurately execute and fulfill key tasks. We also set standard operating procedures to avoid the same mistakes.

In order to allow employees to understand and feel the core values of the company, the WPG Holdings and its affiliated groups have arranged for the company to post core value posters on the walls of executive offices, meeting rooms, and other important junctures to demonstrate the shared values to employees; to deepen the

employees' impression and experience of the core values, expect to observe it together.

The work rules for the employees of WPG Holdings and WPG Group also specify the regulations regarding attendance, performance evaluation, rewards and punishments, and promotion that are handled in line with WPG's shared values.

II. Strictly Implement the Audit System:

Auditing Office is set up under the Board of Directors to conduct comprehensive audits on every department and every group member and region according to our policies and regulations. By doing this, we are able to keep track of how every department follows and implements the policies and regulations while preventing and curbing potential malpractice.

III. Implement the promotion of "Employee Code of Conduct":

Based on the Company's core value and human rights policy, WPG stipulates the "Employee Code of Conduct" to practice the creed of integrity: "Self-discipline and others to seek the public welfare" from top to bottom, promote the principles of honest behavior, establish standards in employees' daily life in the office, and create a diverse and inclusive environment in the workplace.

5.5.2 Any Losses Suffered by the Company in the Most Recent Year and up to the Date of this Annual Report due to Labor-Management Disputes (including any violations of the Labor Standards Act indicated in the labor inspection, with the date of punishment, punishment reference numbers, the articles of laws violated, and the content of punishment specified), the Estimated Expenses At Present and in the future, and Countermeasures (where a reasonable estimate cannot be provided, the fact that it cannot be provided should be disclosed):

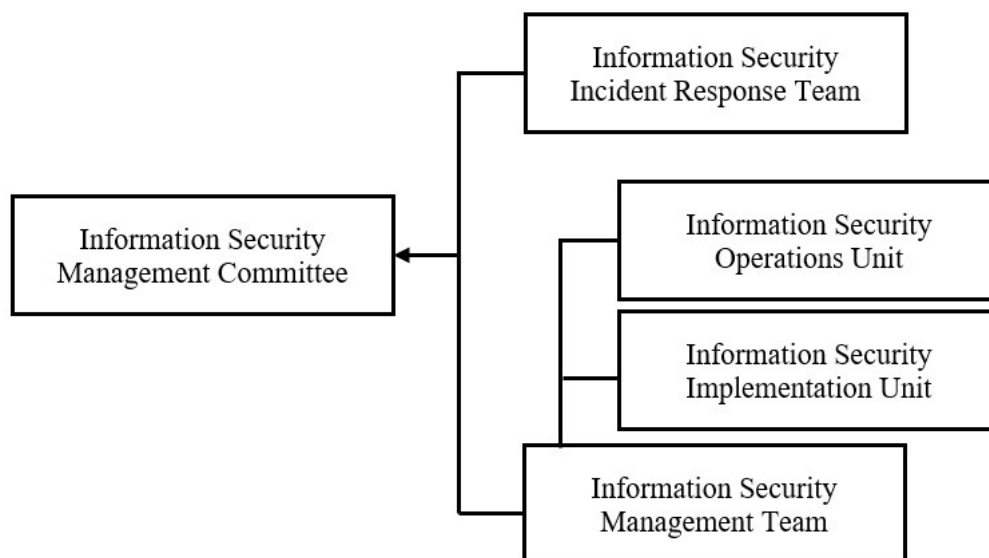
- (1) There was neither dispute nor agreement between the employees and the employers in the most recent year and up to the date of this annual report. But the outcome of the labor inspection was adjudged to be in violation of the Labor Standards Act is described as follows: Taipei City Labor No. 11160044211 issued on April 21, 2022 ruled that WPG Holdings violated Paragraph 6, Article 30 of the Labor Standards Act and is fined NT\$20,000. The Company has re-examined the management and operating procedures and enhanced communication and dissemination.
- (2) Current and future countermeasures for strengthening the labor-management relations:
  - I. Reinforce the corporate philosophy of treating every WPG employee as a family member to enable mutual growth and success.
  - II. Build interactive communication and complaint channels for supervisors to take care of employees more proactively.
  - III. Fully comply with the labor laws and make supervisors and employees understand their respective rights and obligations.
  - IV. Increase employee benefits where the Company's operations permit.
- (3) Possible losses at present and in the future: None.

## 5.6 Information Security Management

- (1) The framework of information security risk management, information security policy, specific management plan, and the resources invested in information security management, etc.:

### I. Information Security Risk Management Framework

The Company has established an Information Security Management Committee, led by the Chief Information Officer who reports to the Chief Executive Officer. The Information Security Management Committee, along with the Information Security Implementation Unit and Information Security Operation Unit, is responsible for planning and auditing the Company's information security and physical security, as well as facilitating the operation of this committee. Through annual management review meetings, the committee reviews the results of information security risk analysis and the corresponding protective measures and strategies implemented by the Company, ensuring the confidentiality, integrity, and availability of the information security management system.



### II. Information Security Policy

The Information Security Policy of the Company aims to ensure compliance and provide guidance to all employees in order to safeguard the security of all information assets, thereby achieving the information security objectives of the Company. Appropriate protective and preventive measures are implemented to safeguard the storage, processing, and transmission of information, preventing unauthorized access, use, control, disclosure, destruction, alteration, or other infringements of information systems and their associated information. This policy ensures the proper protection of information assets and reduces risks. All matters related to information security management within the Company are subject to this policy, and all personnel, including employees on a permanent, contractual, or temporary basis, as well as external visitors and vendors, must comply with this policy. Violations of this policy will result in disciplinary action in accordance with the Company's relevant regulations. Individuals who violate applicable laws, including but not limited to the Trade Secrets Act, Copyright Act, Personal Data Protection Act, may be subject to legal consequences based on the circumstances.

### III. Specific Management Plan

In order to achieve the objectives and policies of information security, comprehensive information security protection measures and specific management plans are established as follows:

- a. Enhancing information security defense capability: Conduct regular system vulnerability scans annually to identify and address vulnerabilities, thereby reducing information security risks. Perform annual risk assessments and implement reinforcement and improvement measures based on the risk level. Additionally, conduct annual information security incident response drills.
- b. Enhancement of Information Security Management Procedures: In addition to continuously strengthening information security defense capabilities, equal emphasis must be placed on management procedures and awareness. Employees are required to comply with information security regulations and adhere to standard operating procedures (SOP), while continuously engaging in the PDCA cycle for continuous improvement.
- c. Enhancing Security of Networks, Endpoints, and Application Systems: Implementing Security Information and Event Management system to consolidate and filter security events and logs from network protection systems (such as firewalls and intrusion detection systems) and critical systems. This enables the detection and identification of network security threats and attacks, with real-time notification based on predefined rules. Additionally, optimizing the overall information system network security segregation is conducted. Furthermore, apart from requiring multi-factor authentication for remote logins by employees, separate authorization is necessary for privileged account logins to important hosts. The abnormal detection and protection capability of endpoint devices is also enhanced.
- d. Compliance with Laws and Adoption of International Information Security Certification Standards: In order to enhance the information security management and personal data protection mechanisms of our company, as well as to ensure compliance with relevant legal requirements, our company obtained the UKAS (United Kingdom Accreditation Service) ISO/IEC 27001:2013 information security certification in 2021. We have continued to enhance our internal information security governance capabilities. In addition to engaging professional external consultants to strengthen our internal information security governance and technical testing capabilities, we remain committed to continuous improvement. We plan to obtain ISO 27017 international certification by 2023 to enhance the security controls of our cloud services. Our company will continue to strengthen the security protection of information infrastructure and application systems and implement mechanisms for data security and personal data protection.
- e. Risk Management: Our company employs a systematic risk management approach, as provided by ISO 27001, to identify, assess, and manage information security and personal data protection risks faced by the organization. These standards emphasize comprehensive risk assessment of information assets and personal data, and the formulation of corresponding risk management measures based on the assessment results. Additionally, our company collaborates with international consulting firms to conduct comprehensive security assessments, utilizing their professional services to obtain objective results from independent third-party verification. Our company is also a member of TWCERT (Taiwan Computer Emergency Response Team Coordination Center) and regularly collects information on cybersecurity threats to implement appropriate preventive measures and mitigate potential risks to our organization.
- f. Strengthening Employee Information Security Awareness: In order to enhance the information security awareness of employees, in addition to conducting annual information security awareness training for global staff, our company also conducts phishing email drills and promotes phishing email recognition among employees. Furthermore, the results of the drills are analyzed to continuously improve the effectiveness of the exercises.
- g. Pandemic Control Measures: In response to the global COVID-19 pandemic, our company has strengthened information security protection measures for remote work (Work From Home, WFH). Employees are advised not to use public computers and networks for work purposes and are encouraged to fulfill their responsibility to protect company information.

#### IV. Allocation of Resources for Information Security Management:

Information Security has become an important operational concern for the company. The following are the corresponding resource allocation and management measures for information security:

- a. **Dedicated Personnel:** Establish a dedicated information security management team (including an information security implementation unit and an information security operations unit) and an information security incident response team responsible for the planning of information security, operation of security systems, implementation of technical measures, and related audit matters. Regular meetings are held to maintain and continually strengthen information security.
  - b. **Education and Training:** All new employees are required to complete information security education and training courses upon joining the company and sign an information security declaration. Additionally, all employees worldwide are required to complete annual information security education and training, and pass the corresponding assessments. In the year 2022, a total of 4,494 employees completed the annual information security education and training. To enhance awareness of phishing emails among employees, an annual social engineering exercise is conducted for global staff.
- (2) In the most recent year and up to the date of publication of the annual report, the losses, possible impacts, and countermeasures caused by the major incidents in terms of information security; if they cannot be reasonably estimated, the fact that they cannot be reasonably estimated shall be stated: no major incidents regarding information security occurred in this year.

#### 5.7 Material Contracts

| Nature of Contract | Counterparty                                        | Commencement/Expiration Date                    | Major Content                 | Restriction                                                                                         |
|--------------------|-----------------------------------------------------|-------------------------------------------------|-------------------------------|-----------------------------------------------------------------------------------------------------|
| Insurance contract | AIG Asia Pacific Insurance Pte. Ltd., Taiwan Branch | Period:<br>January 1, 2023 ~<br>January 1, 2024 | Corporate Liability Insurance | The cumulative liability for all indemnifications within the coverage is limited to US\$15,000,000. |

## 6. Financial Highlights

### 6.1 Condensed Balance Sheets and Comprehensive Income Statements in the Most Recent Five Years

#### 6.1.1 Condensed Consolidated Balance Sheets – IFRS

Unit: NT\$ thousands

| Year (Note 1)                           |                             | Financial information in the most recent five years |             |             |             |             |
|-----------------------------------------|-----------------------------|-----------------------------------------------------|-------------|-------------|-------------|-------------|
| Item                                    |                             | 2018                                                | 2019        | 2020        | 2021        | 2022        |
| Current assets                          |                             | 180,974,906                                         | 205,966,261 | 198,011,363 | 246,449,061 | 274,413,096 |
| Property, plant and equipment (Note 3)  |                             | 6,808,682                                           | 7,924,611   | 13,764,966  | 15,035,948  | 16,224,155  |
| Intangible assets                       |                             | 5,567,934                                           | 5,568,851   | 5,661,833   | 5,220,647   | 5,180,570   |
| Other assets                            |                             | 2,709,342                                           | 10,887,097  | 16,538,951  | 21,032,968  | 20,401,819  |
| Total assets                            |                             | 196,060,864                                         | 230,346,820 | 233,977,113 | 287,738,624 | 316,219,640 |
| Current liabilities                     | Before distribution         | 126,464,265                                         | 156,959,067 | 146,656,318 | 182,224,039 | 197,055,821 |
|                                         | After distribution (Note 2) | 130,997,718                                         | 161,103,871 | 152,261,394 | 188,500,738 | 203,920,190 |
| Non-current liabilities                 |                             | 14,772,604                                          | 9,420,658   | 21,317,777  | 34,289,239  | 37,250,516  |
| Total liabilities                       | Before distribution         | 141,236,869                                         | 166,379,725 | 167,974,095 | 216,513,278 | 234,306,337 |
|                                         | After distribution (Note 2) | 145,770,322                                         | 170,524,529 | 173,579,171 | 222,789,977 | 241,170,706 |
| Equity attributable to owners of parent |                             | 54,358,769                                          | 63,472,157  | 65,469,922  | 70,399,929  | 81,056,250  |
| Share capital                           |                             | 16,790,568                                          | 18,790,568  | 18,790,568  | 18,790,568  | 18,790,568  |
| Capital surplus                         |                             | 19,454,882                                          | 27,456,298  | 28,848,733  | 28,724,498  | 28,633,916  |
| Retained earnings                       | Before distribution         | 20,716,001                                          | 22,645,985  | 26,663,415  | 32,810,967  | 37,109,651  |
|                                         | After distribution (Note 2) | 16,182,548                                          | 18,501,181  | 21,058,339  | 26,534,268  | 30,245,282  |
| Other equity                            |                             | (2,602,682)                                         | (5,420,694) | (8,832,794) | (9,926,104) | (3,477,885) |
| Treasury stock                          |                             | —                                                   | —           | —           | —           | —           |
| Non-controlling interest                |                             | 465,226                                             | 494,938     | 533,096     | 825,417     | 857,053     |
| Total equity                            | Before distribution         | 54,823,995                                          | 63,967,095  | 66,003,018  | 71,225,346  | 81,913,303  |
|                                         | After distribution (Note 2) | 50,290,542                                          | 59,822,291  | 60,397,942  | 64,948,647  | 75,048,934  |

Note 1: The consolidated financial statements for each year listed above have been duly audited by independent auditor.

Note 2: The figures after distribution listed above are filled out per resolution of the annual Shareholders' Meeting, but the distribution of profits for 2022 has not been resolved in the Shareholders' Meeting.

Note 3: Including right-of-use assets and investment properties.

## 6.1.2 Condensed Consolidated Statements of Comprehensive Income

Unit: NT\$ thousands

| Year (Note 1)<br>Item                                         | Financial information in the most recent five years |             |             |             |             |
|---------------------------------------------------------------|-----------------------------------------------------|-------------|-------------|-------------|-------------|
|                                                               | 2018                                                | 2019        | 2020        | 2021        | 2022        |
| Operating revenue                                             | 545,127,804                                         | 527,601,353 | 609,885,871 | 778,572,715 | 775,232,422 |
| Gross profit                                                  | 23,630,421                                          | 22,428,096  | 23,050,129  | 29,700,763  | 29,588,401  |
| Operating profit                                              | 10,576,538                                          | 9,712,564   | 10,049,868  | 13,803,556  | 14,700,133  |
| Non-operating income and expenses                             | (1,375,358)                                         | (1,524,962) | (162,315)   | 371,544     | (1,989,801) |
| Income before income tax                                      | 9,201,180                                           | 8,187,602   | 9,887,553   | 14,175,100  | 12,710,332  |
| Net income                                                    | 7,515,017                                           | 6,505,959   | 8,200,504   | 11,647,710  | 10,577,434  |
| Other comprehensive income                                    | 1,536,182                                           | (2,808,822) | (3,410,972) | (1,017,015) | 6,469,006   |
| Total comprehensive income                                    | 9,051,199                                           | 3,697,137   | 4,789,532   | 10,630,695  | 17,046,440  |
| Net income attributable to owners of parent                   | 7,462,010                                           | 6,453,401   | 8,123,355   | 11,496,933  | 10,512,466  |
| Net income attributable to non-controlling interest           | 53,007                                              | 52,558      | 77,149      | 150,777     | 64,968      |
| Comprehensive income attributable to owners of parent         | 9,008,246                                           | 3,645,425   | 4,719,952   | 10,464,758  | 16,951,405  |
| Comprehensive income attributable to non-controlling interest | 42,953                                              | 51,712      | 69,580      | 165,937     | 95,035      |
| Basic earnings per share (Note 2)                             | 4.22                                                | 3.84        | 4.77        | 6.61        | 6.02        |

Note 1: The consolidated financial statements for each year listed above have been duly audited by independent auditor.

Note 2: Based on weighted average outstanding shares in each year.

### 6.1.3 Condensed Parent Company Only Balance Sheets

Unit: NT\$ thousands

| Year (Note 1)                                 |                             | Financial information in the most recent five years |             |             |             |             |
|-----------------------------------------------|-----------------------------|-----------------------------------------------------|-------------|-------------|-------------|-------------|
| Item                                          |                             | 2018                                                | 2019        | 2020        | 2021        | 2022        |
| Current assets                                |                             | 502,179                                             | 2,915,590   | 609,567     | 615,205     | 907,431     |
| Investments accounted for using equity method |                             | 55,235,857                                          | 58,854,405  | 70,484,850  | 75,513,753  | 89,688,324  |
| Property, plant and equipment (Note 3)        |                             | 1,897,144                                           | 2,153,158   | 7,658,943   | 8,495,296   | 8,388,164   |
| Intangible assets                             |                             | 7,691                                               | 15,419      | 109,573     | 72,121      | 79,090      |
| Other assets                                  |                             | 564,736                                             | 8,731,735   | 2,242,377   | 3,458,232   | 3,327,985   |
| Total assets                                  |                             | 58,207,607                                          | 72,670,307  | 81,105,310  | 88,154,607  | 102,390,994 |
| Current liabilities                           | Before distribution         | 3,380,288                                           | 9,065,088   | 6,531,188   | 8,004,127   | 10,357,989  |
|                                               | After distribution (Note 2) | 7,913,741                                           | 13,209,892  | 12,136,264  | 14,280,826  | 17,222,358  |
| Non-current liabilities                       |                             | 468,550                                             | 133,062     | 9,104,200   | 9,750,551   | 10,976,755  |
| Total liabilities                             | Before distribution         | 3,848,838                                           | 9,198,150   | 15,635,388  | 17,754,678  | 21,334,744  |
|                                               | After distribution (Note 2) | 8,382,291                                           | 13,342,954  | 21,240,464  | 24,031,377  | 28,199,113  |
| Equity                                        |                             | 54,358,769                                          | 63,472,157  | 65,469,922  | 70,399,929  | 81,056,250  |
| Share capital                                 |                             | 16,790,568                                          | 18,790,568  | 18,790,568  | 18,790,568  | 18,790,568  |
| Capital reserve                               |                             | 19,454,882                                          | 27,456,298  | 28,848,733  | 28,724,498  | 28,633,916  |
| Retained earnings                             | Before distribution         | 20,716,001                                          | 22,645,985  | 26,663,415  | 32,810,967  | 37,109,651  |
|                                               | After distribution (Note 2) | 16,182,548                                          | 18,501,181  | 21,058,339  | 26,534,268  | 30,245,282  |
| Other equity interest                         |                             | (2,602,682)                                         | (5,420,694) | (5,420,694) | (9,926,104) | (3,477,885) |
| Treasury stock                                |                             | —                                                   | —           | —           | —           | —           |
| Non-controlling interest                      |                             | —                                                   | —           | —           | —           | —           |
| Total equity                                  | Before distribution         | 54,358,769                                          | 63,472,157  | 65,469,922  | 70,399,929  | 81,056,250  |
|                                               | After distribution (Note 2) | 49,825,316                                          | 59,327,353  | 59,864,846  | 64,123,230  | 74,191,881  |

Note 1: The consolidated financial statements for each year listed above have been duly audited by independent auditor.

Note 2: The figures after distribution listed above are filled out per resolution of the Board of Directors or the Shareholders' Meeting of the following year, but the distribution of earnings for 2022 has not been resolved in the Shareholders' Meeting.

Note 3: Including right-of-use assets and investment properties.



#### 6.1.4 Condensed Parent Company Only Comprehensive Income Statements

Unit: NT\$ thousands

| Year<br>Item                                                | Financial information in the most recent five years |             |             |             |            |
|-------------------------------------------------------------|-----------------------------------------------------|-------------|-------------|-------------|------------|
|                                                             | 2018                                                | 2019        | 2020        | 2021        | 2022       |
| Operating revenues                                          | 8,212,827                                           | 7,384,531   | 9,072,831   | 13,000,495  | 12,149,084 |
| Gross profit                                                | 7,514,872                                           | 6,652,117   | 8,167,068   | 11,637,984  | 10,612,123 |
| Operating income                                            | 7,514,872                                           | 6,652,117   | 8,167,068   | 11,637,984  | 10,612,123 |
| Non-operating income and expenses                           | (3,736)                                             | 2,845       | (85,450)    | (158,915)   | 64,680     |
| Income before                                               | 7,511,136                                           | 6,654,962   | 8,081,618   | 11,479,069  | 10,676,803 |
| Profit for the year                                         | 7,462,010                                           | 6,453,401   | 8,123,355   | 11,496,933  | 10,512,466 |
| Other comprehensive income (loss) after tax                 | 1,546,236                                           | (2,807,976) | (3,403,403) | (1,032,175) | 6,438,939  |
| Total comprehensive income                                  | 9,008,246                                           | 3,645,425   | 4,719,952   | 10,464,758  | 16,951,405 |
| Net income attributable to                                  | 7,462,010                                           | 6,453,401   | 8,123,355   | 11,496,933  | 10,512,466 |
| Total comprehensive income attributable to owners of parent | 9,008,246                                           | 3,645,425   | 4,719,952   | 10,464,758  | 16,951,405 |
| Basic earnings per share (Note)                             | 4.22                                                | 3.84        | 4.77        | 6.61        | 6.02       |

Note: Based on weighted average outstanding shares in each year.

#### 6.1.5 The Names of CPAs and Their Opinions in the Most Recent Five Years.

| Year | Accounting firm                | Name of CPA                      | Audit opinions      |
|------|--------------------------------|----------------------------------|---------------------|
| 2018 | PricewaterhouseCoopers, Taiwan | Hui-chin Tseng and Chun-yao Lin  | Unqualified opinion |
| 2019 | PricewaterhouseCoopers, Taiwan | Chun-yao Lin and Chien-hung Chou | Unqualified opinion |
| 2020 | PricewaterhouseCoopers, Taiwan | Chun-yao Lin and Chien-hung Chou | Unqualified opinion |
| 2021 | PricewaterhouseCoopers, Taiwan | Chun-yao Lin and Chien-hung Chou | Unqualified opinion |
| 2022 | PricewaterhouseCoopers, Taiwan | Chun-yao Lin and Chien-hung Chou | Unqualified opinion |

## 6.2 Financial Analysis in the Most Recent Five Years

### 6.2.1 WPG Group Consolidated Financial Analysis

| Year (Note 1)<br>Item                                                                                                                      |                                                   | Financial analysis in the most recent five years |        |        |         |         |
|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------|--------|--------|---------|---------|
|                                                                                                                                            |                                                   | 2018                                             | 2019   | 2020   | 2021    | 2022    |
| Capital structure analysis                                                                                                                 | Debts ratio (%)                                   | 72.04                                            | 72.23  | 71.79  | 75.25   | 74.10   |
|                                                                                                                                            | Long-term fund to property, plant and             | 1,015.34                                         | 919.83 | 630.50 | 696.26  | 729.20  |
| Liquidity analysis                                                                                                                         | Current ratio (%)                                 | 143.10                                           | 131.22 | 135.02 | 135.25  | 139.26  |
|                                                                                                                                            | Quick ratio (%)                                   | 90.69                                            | 86.65  | 94.30  | 86.57   | 81.19   |
|                                                                                                                                            | Times interest earned                             | 5.01                                             | 4.80   | 6.85   | 9.66    | 4.12    |
| Operating performance analysis                                                                                                             | Accounts receivable                               | 5.69                                             | 4.95   | 5.40   | 6.29    | 6.05    |
|                                                                                                                                            | Average collection days                           | 64                                               | 74     | 68     | 58      | 60      |
|                                                                                                                                            | Inventory turnover                                | 8.41                                             | 7.51   | 9.22   | 10.25   | 7.39    |
|                                                                                                                                            | Accounts payable                                  | 10.19                                            | 8.65   | 9.27   | 10.78   | 9.48    |
|                                                                                                                                            | Average inventory                                 | 43                                               | 49     | 40     | 36      | 49      |
|                                                                                                                                            | Property, plant and equipment turnover            | 83.64                                            | 71.62  | 56.24  | 54.07   | 49.60   |
|                                                                                                                                            | Total assets turnover                             | 2.91                                             | 2.47   | 2.63   | 2.98    | 2.57    |
| Profitability analysis                                                                                                                     | Return on total assets (%)                        | 4.96                                             | 3.84   | 4.08   | 4.91    | 4.56    |
|                                                                                                                                            | Return on equity (%)                              | 14.10                                            | 10.95  | 12.60  | 16.92   | 13.88   |
|                                                                                                                                            | Ratio of income before tax to paid-in capital (%) | 54.80                                            | 43.57  | 52.62  | 75.44   | 67.64   |
|                                                                                                                                            | Net profit ratio (%)                              | 1.37                                             | 1.22   | 1.33   | 1.48    | 1.36    |
|                                                                                                                                            | Basic earnings per share (NT\$) (Note 2)          | 4.22                                             | 3.84   | 4.77   | 6.61    | 6.02    |
|                                                                                                                                            | Diluted earnings per share (NT\$) (Note 2)        | 4.22                                             | 3.84   | 4.77   | 6.60    | 6.02    |
| Cash flow                                                                                                                                  | Cash flow ratio (%)                               | (0.96)                                           | (0.90) | 12.15  | (10.45) | (3.09)  |
|                                                                                                                                            | Cash flow adequacy ratio                          | (15.51)                                          | 5.72   | 51.48  | 5.24    | (9.84)  |
|                                                                                                                                            | Cash flow reinvestment                            | (7.86)                                           | (7.87) | 15.05  | (23.03) | (10.08) |
| Leverage                                                                                                                                   | Operating leverage                                | 1.37                                             | 1.38   | 1.39   | 1.37    | 1.34    |
|                                                                                                                                            | Financial leverage                                | 1.28                                             | 1.29   | 1.20   | 1.13    | 1.38    |
| Industry specific key performance indicator                                                                                                | Return on working capital (%) (ROWC)              | 9.63                                             | 8.31   | 9.50   | 9.54    | 9.73    |
|                                                                                                                                            | Ratio of net working capital to sales (NWC/Sales) | 0.20                                             | 0.22   | 0.17   | 0.19    | 0.19    |
| Reasons for significant changes in the most recent two years: Please refer to Note 3. (not required if the difference does not exceed 20%) |                                                   |                                                  |        |        |         |         |

Note 1: The consolidated financial statements for each year listed above have been duly audited by independent auditor, and the consolidated financial statements for the first quarter of 2021 have been duly reviewed by independent auditors.

Note 2: Based on weighted average outstanding shares in each year.

Note 3: Reasons for changes in financial ratios in the most recent two years:

- (1) Times interest earned: The times interest earned decreased in 2022 was mainly due to an increase in bank loan interests.
- (2) Inventory turnover rate and Average collection days: The turnover rate decrease was mainly due to the fact that the market demand decreased in the fourth quarter in 2022.
- (3) Cash flow ratio and Cash re-investment ratio: It was mainly due to a decrease in net cash outflow from operating activities in 2022.
- (4) Cash flow adequacy ratio: It was mainly due to a decrease in net cash outflow from operating activities in 2022. The ratio decreased because the net cash inflow of the past five years decreased while the inventory increases.
- (5) Financial leverage: The leverage increased mainly due to the increase in interests in 2022.

Note 4: Formulas used for calculating the financial ratios are as follows:

- (1) Capital structure analysis
  - I. Debts ratio = Total liabilities / Total assets.
  - II. Long-term fund to property, plant and equipment = (Total equity + Non-current liabilities) / Net property, plant, and equipment.
- (2) Liquidity analysis
  - I. Current ratio = Current assets / Current liabilities.
  - II. Quick ratio = (Current assets - Inventory – prepaid expense) / Current liabilities.
  - III. Times interest earned = Net profit before tax and interest expenses / Interest expenses.
- (3) Operating performance ability
  - I. Accounts receivable (including accounts receivable and notes receivable from business activities) turnover = Net sales / Balance of average accounts receivable in each period (including accounts receivable and notes receivable from business activities).
  - II. Average collection days = 365 / Accounts receivable turnover.
  - III. Inventory turnover = Cost of goods sold / Average inventory.
  - IV. Accounts payable (including accounts payable and notes payable from business activities) turnover = Cost of goods sold / Balance of average accounts payable in each period (including accounts payable and notes payable from business activities).
  - V. Average inventory turnover days = 365 / Inventory turnover.
  - VI. Property, plant and equipment turnover = Net sales / Average net property, plant and equipment.
  - VII. Total assets turnover = Net sales / Average total assets.
- (4) Profitability analysis
  - I. Return on assets = (Net income + Interest expenses × (1 - Tax rate)) / Average total assets.
  - II. Return on equity = Net income / Average total equity.
  - III. Net profit ratio = Net income / Net sales.
  - IV. Earnings per share = (Income attributable to owners of parent - Preferred stock dividend) /

Weighted average number of shares outstanding. (Note 2)

(5) Cash flow

- I. Cash flow ratio = Net cash flows from operating activities / Current liabilities.
- II. Cash flow adequacy ratio = Five-year sum of cash from operations / Five-year sum of capital expenditures, inventory additions, and cash dividend.
- III. Cash flow reinvestment ratio = (Cash provided by operating activities - cash dividends) / (gross property, plant and equipment + long-term investments + other noncurrent assets + working capital).

(6) Leverage

- I. Operating leverage = (Net sales - variable cost) / operating income.
- II. Financial leverage = Income from operations / (income from operations - interest expenses).

(7) Industry specific key performance indicator

- I. ROWC = Operating income / (Accounts receivable, end of period + Inventory, end of period - Accounts payable, end of period).
- II. NWC/Sales = (Accounts receivable, end of period + Inventory, end of period - Accounts payable, end of period) / Net sales.

## 6.2.2 WPG Holdings Financial Analysis

| Year (Note 1)<br>Item                                                                                                                      |                                                         | Financial Analysis in the Most Recent Five Years |          |        |        |         |
|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------|----------|--------|--------|---------|
|                                                                                                                                            |                                                         | 2018                                             | 2019     | 2020   | 2021   | 2022    |
| Capital Structure Analysis                                                                                                                 | Debts ratio (%)                                         | 6.61                                             | 12.66    | 19.28  | 20.14  | 20.84   |
|                                                                                                                                            | Long-term fund to property, plant and equipment (%)     | 2,889.99                                         | 2,954.04 | 973.69 | 943.47 | 1097.18 |
| Liquidity Analysis                                                                                                                         | Current ratio (%)                                       | 14.86                                            | 32.16    | 9.33   | 7.69   | 8.76    |
|                                                                                                                                            | Quick ratio (%)                                         | 14.34                                            | 31.91    | 8.65   | 6.83   | 8.30    |
|                                                                                                                                            | Times interest earned                                   | 246.06                                           | 204.64   | 59.93  | 69.23  | 46.29   |
| Operating Performance Analysis                                                                                                             | Accounts receivable turnover (times) (Note 2)           | 12.69                                            | 8.62     | 8.97   | 10.26  | 9.65    |
|                                                                                                                                            | Average collection days                                 | 29                                               | 42       | 41     | 36     | 38      |
|                                                                                                                                            | Inventory turnover (times)                              | —                                                | —        | —      | —      | —       |
|                                                                                                                                            | Accounts payable turnover                               | —                                                | —        | —      | —      | —       |
|                                                                                                                                            | Average inventory turnover days                         | —                                                | —        | —      | —      | —       |
|                                                                                                                                            | Property, plant and equipment turnover (times) (Note 2) | 4.62                                             | 3.65     | 1.85   | 1.61   | 1.44    |
|                                                                                                                                            | Total assets turnover (times) (Note 2)                  | 0.14                                             | 0.11     | 0.12   | 0.15   | 0.13    |
| Profitability Analysis                                                                                                                     | Return on total assets (%)                              | 13.21                                            | 9.90     | 10.71  | 13.74  | 11.23   |
|                                                                                                                                            | Return on equity (%)                                    | 14.10                                            | 10.95    | 12.60  | 16.92  | 13.88   |
|                                                                                                                                            | Ratio of income before tax to paid-in capital (%)       | 44.73                                            | 35.42    | 43.01  | 61.09  | 56.82   |
|                                                                                                                                            | Net profit ratio (%) (Note 2)                           | 90.86                                            | 87.39    | 89.53  | 88.43  | 86.53   |
|                                                                                                                                            | Basic earnings per share (NT\$) (Note 3)                | 4.22                                             | 3.84     | 4.77   | 6.61   | 6.02    |
|                                                                                                                                            | Diluted earnings per share (NT\$) (Note 3)              | 4.22                                             | 3.84     | 4.77   | 6.60   | 6.02    |
| Cash flow                                                                                                                                  | Cash flow ratio (%)                                     | 138.99                                           | 51.88    | 69.18  | 67.91  | 59.84   |
|                                                                                                                                            | Cash flow adequacy ratio (%)                            | 81.88                                            | 62.01    | 52.67  | 49.52  | 50.80   |
|                                                                                                                                            | Cash flow reinvestment ratio (%)                        | 0.58                                             | 0.27     | 0.50   | (0.21) | (0.09)  |
| Leverage                                                                                                                                   | Operating leverage (Note 2)                             | 1.00                                             | 1.01     | 1.01   | 1.02   | 1.02    |
|                                                                                                                                            | Financial leverage                                      | 1.00                                             | 1.00     | 1.02   | 1.01   | 1.02    |
| Reasons for significant changes in the most recent two years: Please refer to Note 4. (not required if the difference does not exceed 20%) |                                                         |                                                  |          |        |        |         |

Note 1: The above financial statements have been duly audited by independent auditors.

Note 2: WPG Holdings is a holding company; operating revenue includes investment revenue and service revenue.

Note 3: Based on weighted average outstanding shares in each year.

Note 4: Reasons for changes in financial ratios in the most recent two years:

- (1) Quick ratio: The ratio increased mainly due to the increase in current assets in 2022.
- (2) Times interest earned: The times interest earned decreased in 2022 was mainly due to an increase in bank loan interests.
- (3) Cash reinvestment ratio: It was mainly due to an increase in net cash inflow from operating activities in 2022.

Note 5: For formulas used for calculating the financial ratios, please refer to Note 4 on Page 131.

### **6.3 Audit Committee's Review Report**

## **AUDIT COMMITTEE'S REVIEW REPORT**

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements, and proposal for allocation of profits. The aforementioned 2022

Business Report, Financial Statements, and proposal for allocation of profits have been reviewed and determined to be correct and accurate by the Audit Committee members of WPG HOLDINGS LIMITED. According to Article 14-4, 14-5 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit

this report.

**AUDIT COMMITTEE OF WPG HOLDINGS LIMITED**

Independent Director Charles Chen

Independent Director Jack J. T. Huang

Independent Director Weiru Chen

Independent Director Kathy Yang

February 28, 2023

**6.4 Consolidated Financial Statements and Independent Auditors' Report in the Most Recent Year**

For "WPG Holdings Limited and Subsidiaries Consolidated Financial Statements for the Years Ended 2022 and 2021 and Independent Auditors' Report" please refer to Pages 137~282.

**6.5 Parent Company Only Financial Statements and Independent Auditors' Report in the Most Recent Year**

For "WPG Holdings Limited Parent Company Only Financial Statements for the Years Ended 2022 and 2021 and Independent Auditors' Report" please refer to Pages 283~391.

**6.6 Financial Difficulties**

The Company should disclose the financial impact to the Company if the Company and its affiliated companies have incurred any financial or cash flow difficulties in the most recent year and as of the date of this Annual Report: None



**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS AND**  
**INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2022 AND 2021**

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

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of WPG Holdings Limited

### ***Opinion***

We have audited the accompanying consolidated balance sheets of WPG Holdings Limited and its subsidiaries (the “Group”) as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

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

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

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion

thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

### **Impairment assessment of goodwill**

#### Description

Refer to Note 4(19) for accounting policy on goodwill impairment, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to goodwill impairment, and Note 6(13) for details of intangible assets.

The Group acquired shares of stock of target companies by cash or through exchange of shares of stock. The difference between the acquisition price and the carrying amount of the net identifiable assets is allocated in accordance with the accounting policies on business combinations. The Group uses the estimated future cash flows of each cash-generating unit and proper discount rate to determine recoverable amount of goodwill, and assesses whether goodwill may be impaired. Given that the assumptions used in the calculation of recoverable amount requires significant management judgement with respect to the discount rate and the underlying cash flows, we considered impairment assessment of goodwill a key audit matter.

#### How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Assessing the process in which management evaluates the estimated future cash flows of each cash generating unit, and reconciling the input data used in the valuation model to the approved operational plan by management.
2. Evaluating the reasonableness of the estimated growth rate, gross rate, discount rate and other significant assumptions used in the valuation model, by:
  - (1) Comparing estimated growth rate and gross rate with historical data and our knowledge of the business and industry;
  - (2) Comparing discount rate assumptions with respect to cash generating units' capital cost and similar return on assets; and
  - (3) Checking the setting of valuation model's calculation formula.
3. Comparing the recoverable value and book value of each cash-generating unit.

## **Valuation of allowance for uncollectible accounts receivable**

### Description

Refer to Note 4(10) for accounting policy on accounts receivable, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to provision for uncollectible accounts receivable, and Notes 6(5)(14) for details of accounts receivable and overdue receivables.

The Group assesses the collectability of accounts receivable based on historical experience with its customers. As the estimation of allowance for uncollectible accounts is subject to management's judgment in estimating future recovery, such as management's assessment of customer's credit risk, we considered the valuation of allowance for uncollectible accounts receivable a key audit matter.

### How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Obtaining an understanding of, and evaluating the formal approval process for the customer's credit limit application.
2. Checking the provision policy on allowance for uncollectible accounts, and assessing the reasonableness of provision policy.
3. Checking the adequacy of the loss rate calculation by sampling the historical accounts receivable aging data and verifying the formula for the calculation of expected credit loss rate.
4. Comparing the classification of accounts receivable aging with current year and prior year, and checking subsequent collections after the balance sheet date to confirm recovery of outstanding receivables.
5. For those accounts receivable specifically identified by management to have been impaired, evaluating propriety of impairment assessment against related supporting documents.

## **Recognition of purchase discounts and allowances**

### Description

Refer to Note 4(13) for accounting policy on recognition of purchase discounts and allowances.

The Group is engaged in operating sales channel for various electronic components. In line with industry practice, the Group has entered into purchase discounts and allowances agreements with suppliers for various kinds and quantities of inventories. The Group calculates and recognizes the amount of purchase discounts and allowances in accordance with the agreement. The Group negotiates

the amount with the supplier, and after receiving credit note from supplier, the Group pays the net amount.

The discounts and allowances from the supplier are calculated either automatically by the system or manually. The Group has to gather a lot of information to input in the system, such as the items subject to discount and corresponding discount rate, etc. Given that the Group has a large volume of purchases, and has entered into various purchase discounts and allowances agreements with terms and conditions that vary with each argument, we considered the recognition of purchase discounts and allowances a key audit matter.

#### How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Understanding the process in recognizing purchase discounts and allowances, evaluating related internal control procedures and testing its effectiveness, checking the basic information set up in the computer system with respect to discount and allowance calculation randomly, and selecting samples to determine whether purchase discounts and allowances recognized were reviewed by an authorized supervisor.
2. Selecting samples of purchase discounts and allowances, obtaining confirmed documents and approved credit note from supplier for selected commodity's part number, and checking whether the part number and discount and allowance amount in obtained vouchers were consistent with the amounts recognized.
3. Performing confirmation of selected material accounts payable, checking whether there is a difference between the amount of purchase discounts and allowances recognized based on credit note from supplier with the amount confirmed by the supplier, and investigating differences, if any. Selecting samples of outstanding accounts payable and checking whether subsequent payments were made after the balance sheet date.

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

We have audited and expressed an unqualified opinion on the parent company only financial statements of WPG Holdings Limited as at and for the years ended December 31, 2022 and 2021.

### ***Responsibilities of management and those charged with governance for the consolidated financial statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Lin, Chun-yao

Chou, Chien-hung

For and on behalf of PricewaterhouseCoopers, Taiwan

February 28, 2023

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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 review such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the consolidated 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.



**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

|                           |                                      |             | December 31, 2022 |     | December 31, 2021 |     |
|---------------------------|--------------------------------------|-------------|-------------------|-----|-------------------|-----|
| Assets                    |                                      | Notes       | Amount            | %   | Amount            | %   |
| <b>Current assets</b>     |                                      |             |                   |     |                   |     |
| 1100                      | Cash and cash equivalents            | 6(1)        | \$ 16,597,342     | 5   | \$ 14,407,940     | 5   |
| 1110                      | Financial assets at fair value       | 6(2)        |                   |     |                   |     |
|                           | through profit or loss - current     |             | 5,875             | -   | 8,396             | -   |
| 1136                      | Financial assets at amortized cost - | 6(4) and 8  |                   |     |                   |     |
|                           | current                              |             | 279,144           | -   | 220,199           | -   |
| 1150                      | Notes receivable, net                | 6(5)        | 2,427,415         | 1   | 2,741,202         | 1   |
| 1170                      | Accounts receivable, net             | 6(5)        | 118,037,849       | 37  | 131,368,328       | 46  |
| 1180                      | Accounts receivable - related        | 7(3)        |                   |     |                   |     |
|                           | parties, net                         |             | 202,091           | -   | 282,617           | -   |
| 1200                      | Other receivables                    | 6(7)        | 19,967,189        | 6   | 7,174,281         | 2   |
| 1210                      | Other receivables - related parties  | 7(3)        | 42,788            | -   | 3,691             | -   |
| 1220                      | Current income tax assets            |             | 34,375            | -   | 14,366            | -   |
| 130X                      | Inventories                          | 6(8)        | 111,737,091       | 35  | 86,214,706        | 30  |
| 1410                      | Prepayments                          |             | 2,687,011         | 1   | 2,477,747         | 1   |
| 1470                      | Other current assets                 |             | 2,394,926         | 1   | 1,535,588         | -   |
| 11XX                      | <b>Total current assets</b>          |             | 274,413,096       | 86  | 246,449,061       | 85  |
| <b>Non-current assets</b> |                                      |             |                   |     |                   |     |
| 1510                      | Financial assets at fair value       | 6(2) and 8  |                   |     |                   |     |
|                           | through profit or loss -             |             |                   |     |                   |     |
|                           | non-current                          |             | 1,724,617         | 1   | 1,920,100         | 1   |
| 1517                      | Financial assets at fair value       | 6(3)        |                   |     |                   |     |
|                           | through other comprehensive          |             |                   |     |                   |     |
|                           | income - non-current                 |             | 3,341,083         | 1   | 3,321,562         | 1   |
| 1535                      | Financial assets at amortized cost - | 6(4)        |                   |     |                   |     |
|                           | non-current                          |             | 1,595,669         | 1   | 1,438,233         | -   |
| 1550                      | Investments accounted for using      | 6(9)        |                   |     |                   |     |
|                           | equity method                        |             | 12,617,898        | 4   | 13,453,324        | 5   |
| 1600                      | Property, plant and equipment        | 6(10) and 8 | 11,970,875        | 4   | 11,911,715        | 4   |
| 1755                      | Right-of-use assets                  | 6(11)       | 2,686,605         | 1   | 1,544,289         | 1   |
| 1760                      | Investment property, net             | 6(12) and 8 | 1,566,675         | -   | 1,579,944         | 1   |
| 1780                      | Intangible assets                    | 6(13)       | 5,180,570         | 2   | 5,220,647         | 2   |
| 1840                      | Deferred income tax assets           | 6(32)       | 741,592           | -   | 631,086           | -   |
| 1960                      | Prepayments for investments          |             | 25,043            | -   | -                 | -   |
| 1990                      | Other non-current assets             | 6(14)       | 355,917           | -   | 268,663           | -   |
| 15XX                      | <b>Total non-current assets</b>      |             | 41,806,544        | 14  | 41,289,563        | 15  |
| 1XXX                      | <b>Total assets</b>                  |             | \$ 316,219,640    | 100 | \$ 287,738,624    | 100 |

(Continued)

**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

|      | Liabilities and Equity                    | Notes       | December 31, 2022     |            | December 31, 2021     |            |
|------|-------------------------------------------|-------------|-----------------------|------------|-----------------------|------------|
|      |                                           |             | Amount                | %          | Amount                | %          |
|      | <b>Current liabilities</b>                |             |                       |            |                       |            |
| 2100 | Short-term borrowings                     | 6(15)       | \$ 80,518,991         | 25         | \$ 82,334,562         | 29         |
| 2110 | Short-term notes and bills payable        | 6(16)       | 5,342,259             | 2          | 7,444,815             | 3          |
| 2120 | Financial liabilities at fair value       | 6(2)        |                       |            |                       |            |
|      | through profit or loss - current          |             | 4,148                 | -          | 7,068                 | -          |
| 2150 | Notes payable                             |             | 15,456                | -          | 21,484                | -          |
| 2170 | Accounts payable                          |             | 81,177,435            | 26         | 75,552,919            | 26         |
| 2180 | Accounts payable - related parties        | 7(3)        | 159,704               | -          | 362,228               | -          |
| 2200 | Other payables                            |             | 12,961,435            | 4          | 10,598,704            | 4          |
| 2230 | Current income tax liabilities            |             | 1,317,492             | -          | 1,227,511             | -          |
| 2280 | Current lease liabilities                 |             | 371,320               | -          | 282,588               | -          |
| 2300 | Other current liabilities                 | 6(17)(18)   | 15,187,581            | 5          | 4,392,160             | 2          |
| 21XX | <b>Total current liabilities</b>          |             | <u>197,055,821</u>    | <u>62</u>  | <u>182,224,039</u>    | <u>64</u>  |
|      | <b>Non-current liabilities</b>            |             |                       |            |                       |            |
| 2540 | Long-term borrowings                      | 6(17)       | 33,532,103            | 11         | 31,478,246            | 11         |
| 2570 | Deferred income tax liabilities           | 6(32)       | 621,462               | -          | 628,638               | -          |
| 2580 | Non-current lease liabilities             |             | 2,315,509             | 1          | 1,216,340             | -          |
| 2600 | Other non-current liabilities             | 6(19)       | 781,442               | -          | 966,015               | -          |
| 25XX | <b>Total non-current liabilities</b>      |             | <u>37,250,516</u>     | <u>12</u>  | <u>34,289,239</u>     | <u>11</u>  |
| 2XXX | <b>Total liabilities</b>                  |             | <u>234,306,337</u>    | <u>74</u>  | <u>216,513,278</u>    | <u>75</u>  |
|      | <b>Equity</b>                             |             |                       |            |                       |            |
|      | <b>Capital</b>                            | 1 and 6(21) |                       |            |                       |            |
| 3110 | Common stock                              |             | 16,790,568            | 5          | 16,790,568            | 6          |
| 3120 | Preference stock                          |             | 2,000,000             | 1          | 2,000,000             | 1          |
|      | <b>Capital reserve</b>                    | 6(22)       |                       |            |                       |            |
| 3200 | Capital reserve                           |             | 28,633,916            | 9          | 28,724,498            | 10         |
|      | <b>Retained earnings</b>                  | 6(23)       |                       |            |                       |            |
| 3310 | Legal reserve                             |             | 8,658,903             | 3          | 7,483,640             | 3          |
| 3320 | Special reserve                           |             | 9,926,105             | 3          | 8,832,794             | 3          |
| 3350 | Unappropriated earnings                   |             | 18,524,643            | 6          | 16,494,533            | 6          |
|      | <b>Other equity interest</b>              |             |                       |            |                       |            |
| 3400 | Other equity interest                     | 6(24)       | ( 3,477,885 )         | ( 1 )      | ( 9,926,104 )         | ( 4 )      |
| 31XX | <b>Equity attributable to owners</b>      |             |                       |            |                       |            |
|      | <b>of the parent</b>                      |             | 81,056,250            | 26         | 70,399,929            | 25         |
| 36XX | Non-controlling interest                  | 4           | 857,053               | -          | 825,417               | -          |
| 3XXX | <b>Total equity</b>                       |             | <u>81,913,303</u>     | <u>26</u>  | <u>71,225,346</u>     | <u>25</u>  |
|      | <b>Significant contingent liabilities</b> | 7(3) and 9  |                       |            |                       |            |
|      | <b>and unrecognized contract</b>          |             |                       |            |                       |            |
|      | <b>commitments</b>                        |             |                       |            |                       |            |
|      | <b>Significant events after the</b>       | 11          |                       |            |                       |            |
|      | <b>balance sheet date</b>                 |             |                       |            |                       |            |
| 3X2X | <b>Total liabilities and equity</b>       |             | <u>\$ 316,219,640</u> | <u>100</u> | <u>\$ 287,738,624</u> | <u>100</u> |

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

| Items                                                                                       | Notes              | Years ended December 31, |          |                      |          |
|---------------------------------------------------------------------------------------------|--------------------|--------------------------|----------|----------------------|----------|
|                                                                                             |                    | 2022                     |          | 2021                 |          |
|                                                                                             |                    | Amount                   | %        | Amount               | %        |
| 4000 <b>Operating revenues</b>                                                              | 6(25) and 7(3)     | \$ 775,232,422           | 100      | \$ 778,572,715       | 100      |
| 5000 <b>Operating costs</b>                                                                 | 6(8) and 7(3)      | ( 745,644,021)           | ( 96)    | ( 748,871,952)       | ( 96)    |
| 5950 <b>Gross profit</b>                                                                    |                    | <u>29,588,401</u>        | <u>4</u> | <u>29,700,763</u>    | <u>4</u> |
| <b>Operating expenses</b>                                                                   | 6(30)(31) and 7(3) |                          |          |                      |          |
| 6100 Selling and marketing expenses                                                         |                    | ( 9,941,007)             | ( 1)     | ( 10,758,599)        | ( 1)     |
| 6200 General and administrative expenses                                                    |                    | ( 4,815,649)             | ( 1)     | ( 5,124,185)         | ( 1)     |
| 6450 Expected credit impairment loss                                                        |                    | ( 131,612)               | -        | ( 14,423)            | -        |
| 6000 Total operating expenses                                                               |                    | ( 14,888,268)            | ( 2)     | ( 15,897,207)        | ( 2)     |
| 6900 Operating profit                                                                       |                    | <u>14,700,133</u>        | <u>2</u> | <u>13,803,556</u>    | <u>2</u> |
| Non-operating income and expenses                                                           |                    |                          |          |                      |          |
| 7100 Interest income                                                                        | 6(26)              | 104,814                  | -        | 29,715               | -        |
| 7010 Other income                                                                           | 6(27)              | 691,427                  | -        | 370,556              | -        |
| 7020 Other gains or losses                                                                  | 6(28)              | 292,590                  | -        | 233,782              | -        |
| 7050 Financial costs                                                                        | 6(29)              | ( 4,736,235)             | ( 1)     | ( 2,082,342)         | -        |
| 7060 Share of profit of associates and joint ventures accounted for using the equity method |                    | <u>1,657,603</u>         | -        | <u>1,819,833</u>     | -        |
| 7000 <b>Total non-operating income and expenses</b>                                         |                    | ( 1,989,801)             | ( 1)     | <u>371,544</u>       | -        |
| 7900 Income before income tax                                                               |                    | 12,710,332               | 1        | 14,175,100           | 2        |
| 7950 Income tax expense                                                                     | 6(32)              | ( 2,132,898)             | -        | ( 2,527,390)         | -        |
| 8200 Consolidated net income                                                                |                    | <u>\$ 10,577,434</u>     | <u>1</u> | <u>\$ 11,647,710</u> | <u>2</u> |

(Continued)

WPG HOLDINGS LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

| Items                                                                                                                            | Notes     | Years ended December 31, |          |                       |          |
|----------------------------------------------------------------------------------------------------------------------------------|-----------|--------------------------|----------|-----------------------|----------|
|                                                                                                                                  |           | 2022                     |          | 2021                  |          |
|                                                                                                                                  |           | Amount                   | %        | Amount                | %        |
| <b>Other comprehensive income / (loss), net</b>                                                                                  |           |                          |          |                       |          |
| <b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>                           |           |                          |          |                       |          |
| 8311 Loss on remeasurement of defined benefit plan                                                                               | 6(19)     | (\$ 11,912)              | -        | (\$ 160,039)          | -        |
| 8316 Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income  | 6(3)(24)  | ( 998,984)               | -        | 1,303,437             | -        |
| 8320 Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using equity method |           | ( 2,507,198)             | -        | 490,803               | -        |
| 8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss              | 6(32)     | <u>2,382</u>             | -        | <u>32,008</u>         | -        |
| 8310 <b>Other comprehensive (loss) income that will not be reclassified to profit or loss</b>                                    |           | <u>( 3,515,712)</u>      | -        | <u>1,666,209</u>      | -        |
| <b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>                               |           |                          |          |                       |          |
| 8361 Exchange differences on translation of foreign financial statements                                                         |           | 9,034,481                | 1        | ( 2,448,906)          | -        |
| 8370 Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method               | 6(24)(32) | 962,077                  | -        | ( 239,342)            | -        |
| 8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss                  | 6(32)     | <u>( 11,840)</u>         | -        | <u>5,024</u>          | -        |
| 8360 <b>Other comprehensive income (loss) that will be reclassified to profit or loss</b>                                        |           | <u>9,984,718</u>         | <u>1</u> | <u>( 2,683,224)</u>   | -        |
| 8300 <b>Other comprehensive income (loss), net</b>                                                                               |           | <u>\$ 6,469,006</u>      | <u>1</u> | <u>(\$ 1,017,015)</u> | -        |
| 8500 <b>Total comprehensive income</b>                                                                                           |           | <u>\$ 17,046,440</u>     | <u>2</u> | <u>\$ 10,630,695</u>  | <u>2</u> |
| Consolidated net income attributable to:                                                                                         |           |                          |          |                       |          |
| 8610 Owners of the parent                                                                                                        |           | \$ 10,512,466            | 1        | \$ 11,496,933         | 2        |
| 8620 Non-controlling interest                                                                                                    |           | <u>64,968</u>            | -        | <u>150,777</u>        | -        |
|                                                                                                                                  |           | <u>\$ 10,577,434</u>     | <u>1</u> | <u>\$ 11,647,710</u>  | <u>2</u> |
| Comprehensive income attributable to:                                                                                            |           |                          |          |                       |          |
| 8710 Owners of the parent                                                                                                        |           | \$ 16,951,405            | 2        | \$ 10,464,758         | 2        |
| 8720 Non-controlling interest                                                                                                    |           | <u>95,035</u>            | -        | <u>165,937</u>        | -        |
|                                                                                                                                  |           | <u>\$ 17,046,440</u>     | <u>2</u> | <u>\$ 10,630,695</u>  | <u>2</u> |
| <b>Earnings per share (in dollars)</b>                                                                                           | 6(33)     |                          |          |                       |          |
| 9750 <b>Basic earnings per share</b>                                                                                             |           | <u>\$ 6.02</u>           |          | <u>\$ 6.61</u>        |          |
| 9850 <b>Diluted earnings per share</b>                                                                                           |           | <u>\$ 6.02</u>           |          | <u>\$ 6.60</u>        |          |

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

|                                                |       | Equity attributable to owners of the parent |                     |                      |                     |                     |                         |                                                      |                                                                                              |                      |                          |                      |  |
|------------------------------------------------|-------|---------------------------------------------|---------------------|----------------------|---------------------|---------------------|-------------------------|------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------|--------------------------|----------------------|--|
|                                                |       | Share Capital                               |                     |                      | Retained Earnings   |                     |                         | Other Equity Interest                                |                                                                                              |                      |                          |                      |  |
|                                                |       |                                             |                     |                      |                     |                     |                         | Exchange differences of foreign financial statements | Unrealized gains (loss) on financial assets at fair value through other comprehensive income | Total                | Non-controlling interest | Total equity         |  |
|                                                | Notes | Common stock                                | Preference stock    | Capital reserve      | Legal reserve       | Special reserve     | Unappropriated earnings |                                                      |                                                                                              |                      |                          |                      |  |
| Year ended December 31, 2021                   |       |                                             |                     |                      |                     |                     |                         |                                                      |                                                                                              |                      |                          |                      |  |
|                                                |       | \$ 16,790,568                               | \$ 2,000,000        | \$ 28,848,733        | \$ 6,667,417        | \$ 5,420,694        | \$ 14,575,304           | (\$ 10,687,165 )                                     | \$ 1,854,371                                                                                 | \$ 65,469,922        | \$ 533,096               | \$ 66,003,018        |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | 11,496,933              | -                                                    | -                                                                                            | 11,496,933           | 150,777                  | 11,647,710           |  |
|                                                | 6(24) | -                                           | -                   | -                    | -                   | -                   | ( 127,981 )             | ( 2,698,376 )                                        | 1,794,182                                                                                    | ( 1,032,175 )        | 15,160                   | ( 1,017,015 )        |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | 11,368,952              | ( 2,698,376 )                                        | 1,794,182                                                                                    | 10,464,758           | 165,937                  | 10,630,695           |  |
| Appropriations of 2020 retained earnings 6(23) |       |                                             |                     |                      |                     |                     |                         |                                                      |                                                                                              |                      |                          |                      |  |
|                                                |       | -                                           | -                   | -                    | 816,223             | -                   | ( 816,223 )             | -                                                    | -                                                                                            | -                    | -                        | -                    |  |
|                                                |       | -                                           | -                   | -                    | -                   | 3,412,100           | ( 3,412,100 )           | -                                                    | -                                                                                            | -                    | -                        | -                    |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | ( 5,205,076 )           | -                                                    | -                                                                                            | ( 5,205,076 )        | -                        | ( 5,205,076 )        |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | ( 400,000 )             | -                                                    | -                                                                                            | ( 400,000 )          | -                        | ( 400,000 )          |  |
|                                                | 6(3)  | -                                           | -                   | -                    | -                   | -                   | 189,116                 | -                                                    | ( 189,116 )                                                                                  | -                    | -                        | -                    |  |
|                                                | 6(22) | -                                           | -                   | ( 137,660 )          | -                   | -                   | 208,723                 | -                                                    | -                                                                                            | 71,063               | -                        | 71,063               |  |
|                                                | 6(34) | -                                           | -                   | -                    | -                   | -                   | ( 14,163 )              | -                                                    | -                                                                                            | ( 14,163 )           | ( 34,789 )               | ( 48,952 )           |  |
|                                                | 6(22) | -                                           | -                   | 13,425               | -                   | -                   | -                       | -                                                    | -                                                                                            | 13,425               | 205,161                  | 218,586              |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | -                       | -                                                    | -                                                                                            | -                    | ( 43,988 )               | ( 43,988 )           |  |
|                                                |       | <u>\$ 16,790,568</u>                        | <u>\$ 2,000,000</u> | <u>\$ 28,724,498</u> | <u>\$ 7,483,640</u> | <u>\$ 8,832,794</u> | <u>\$ 16,494,533</u>    | <u>(\$ 13,385,541 )</u>                              | <u>\$ 3,459,437</u>                                                                          | <u>\$ 70,399,929</u> | <u>\$ 825,417</u>        | <u>\$ 71,225,346</u> |  |
| Year ended December 31, 2022                   |       |                                             |                     |                      |                     |                     |                         |                                                      |                                                                                              |                      |                          |                      |  |
|                                                |       | \$ 16,790,568                               | \$ 2,000,000        | \$ 28,724,498        | \$ 7,483,640        | \$ 8,832,794        | \$ 16,494,533           | (\$ 13,385,541 )                                     | \$ 3,459,437                                                                                 | \$ 70,399,929        | \$ 825,417               | \$ 71,225,346        |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | 10,512,466              | -                                                    | -                                                                                            | 10,512,466           | 64,968                   | 10,577,434           |  |
|                                                | 6(24) | -                                           | -                   | -                    | -                   | -                   | ( 9,280 )               | 9,954,653                                            | ( 3,506,434 )                                                                                | 6,438,939            | 30,067                   | 6,469,006            |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | 10,503,186              | 9,954,653                                            | ( 3,506,434 )                                                                                | 16,951,405           | 95,035                   | 17,046,440           |  |
| Appropriations of 2021 retained earnings 6(23) |       |                                             |                     |                      |                     |                     |                         |                                                      |                                                                                              |                      |                          |                      |  |
|                                                |       | -                                           | -                   | -                    | 1,175,263           | -                   | ( 1,175,263 )           | -                                                    | -                                                                                            | -                    | -                        | -                    |  |
|                                                |       | -                                           | -                   | -                    | -                   | 1,093,311           | ( 1,093,311 )           | -                                                    | -                                                                                            | -                    | -                        | -                    |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | ( 5,876,699 )           | -                                                    | -                                                                                            | ( 5,876,699 )        | -                        | ( 5,876,699 )        |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | ( 400,000 )             | -                                                    | -                                                                                            | ( 400,000 )          | -                        | ( 400,000 )          |  |
|                                                | 6(22) | -                                           | -                   | ( 91,345 )           | -                   | -                   | 72,197                  | -                                                    | -                                                                                            | ( 19,148 )           | -                        | ( 19,148 )           |  |
|                                                | 6(22) | -                                           | -                   | 763                  | -                   | -                   | -                       | -                                                    | -                                                                                            | 763                  | -                        | 763                  |  |
|                                                |       | -                                           | -                   | -                    | -                   | -                   | -                       | -                                                    | -                                                                                            | -                    | ( 63,399 )               | ( 63,399 )           |  |
|                                                |       | <u>\$ 16,790,568</u>                        | <u>\$ 2,000,000</u> | <u>\$ 28,633,916</u> | <u>\$ 8,658,903</u> | <u>\$ 9,926,105</u> | <u>\$ 18,524,643</u>    | <u>(\$ 3,430,888 )</u>                               | <u>(\$ 46,997 )</u>                                                                          | <u>\$ 81,056,250</u> | <u>\$ 857,053</u>        | <u>\$ 81,913,303</u> |  |

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

**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**

|                                                                                        | Notes     | Years ended December 31, |                |
|----------------------------------------------------------------------------------------|-----------|--------------------------|----------------|
|                                                                                        |           | 2022                     | 2021           |
| <b><u>Cash flows from operating activities</u></b>                                     |           |                          |                |
| Profit before income tax                                                               |           | \$ 12,710,332            | \$ 14,175,100  |
| Adjustments                                                                            |           |                          |                |
| Income and expenses                                                                    |           |                          |                |
| Depreciation                                                                           | 6(30)     | 933,236                  | 899,364        |
| Amortization                                                                           | 6(13)(30) | 89,646                   | 73,717         |
| Expected credit impairment loss                                                        |           | 131,612                  | 14,423         |
| Interest expense                                                                       | 6(29)     | 4,736,235                | 2,082,342      |
| Net gain on financial assets or liabilities at fair value through profit or loss       | 6(28)     | ( 3,299 )                | ( 532,742 )    |
| Interest income                                                                        | 6(26)     | ( 104,814 )              | ( 29,715 )     |
| Dividend income                                                                        | 6(27)     | ( 368,210 )              | ( 98,324 )     |
| Share-based payments                                                                   | 6(20)     | -                        | 17,955         |
| Share of profit of associates and joint ventures accounted for using the equity method |           | ( 1,657,603 )            | ( 1,819,833 )  |
| Loss on disposal of property, plant and equipment                                      | 6(28)     | 2,051                    | 2,173          |
| Gain on disposal of non-current assets held for sale                                   | 6(28)     | -                        | ( 457,864 )    |
| Gain on lease modification                                                             | 6(28)     | ( 9,055 )                | ( 31,709 )     |
| (Gain) loss on disposal of investment                                                  | 6(28)     | ( 1,054 )                | 2,542          |
| Impairment loss                                                                        | 6(28)     | 54,263                   | 422,041        |
| Loss on contract of indemnity                                                          | 6(28)     | -                        | 277,511        |
| Changes in assets/liabilities relating to operating activities                         |           |                          |                |
| Changes in assets relating to operating activities                                     |           |                          |                |
| Financial assets (liabilities) at fair value through profit or loss - current          |           | 171,129                  | 224,799        |
| Notes receivable                                                                       |           | 313,791                  | 469,771        |
| Accounts receivable                                                                    |           | 13,150,134               | ( 23,167,159 ) |
| Accounts receivable - related parties, net                                             |           | 80,526                   | ( 104,724 )    |
| Other receivables                                                                      |           | ( 12,784,205 )           | 5,755,800      |
| Other receivables - related parties                                                    |           | 29                       | ( 2,076 )      |
| Inventories                                                                            |           | ( 25,527,889 )           | ( 29,115,545 ) |
| Prepayments                                                                            |           | ( 209,264 )              | 150,487        |
| Other current assets                                                                   |           | 96,407                   | ( 771,430 )    |
| Changes in liabilities relating to operating activities                                |           |                          |                |
| Notes payable                                                                          |           | ( 6,028 )                | ( 29,167 )     |
| Accounts payable                                                                       |           | 5,624,516                | 12,717,350     |
| Accounts payable - related parties                                                     |           | ( 202,524 )              | 285,205        |
| Other payables                                                                         |           | 1,477,244                | 1,876,642      |
| Other current liabilities                                                              |           | ( 19,531 )               | 214,691        |
| Other non-current liabilities                                                          |           | ( 94,670 )               | ( 120,289 )    |
| Cash outflow generated from operations                                                 |           | ( 1,416,995 )            | ( 16,618,664 ) |
| Interest paid                                                                          |           | ( 3,815,624 )            | ( 1,657,842 )  |
| Income tax paid                                                                        |           | ( 2,224,135 )            | ( 1,497,853 )  |
| Interest received                                                                      |           | 99,470                   | 30,140         |
| Dividends received                                                                     |           | 1,268,930                | 710,633        |
| Net cash used in operating activities                                                  |           | ( 6,088,354 )            | ( 19,033,586 ) |

(Continued)

**WPG HOLDINGS LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

|                                                                                             |       | Years ended December 31, |                 |
|---------------------------------------------------------------------------------------------|-------|--------------------------|-----------------|
|                                                                                             | Notes | 2022                     | 2021            |
| <b>Cash flows from investing activities</b>                                                 |       |                          |                 |
| Acquisition of financial assets at fair value through other comprehensive income            |       | ( \$ 1,018,505 )         | ( \$ 387,997 )  |
| Proceeds from disposal of financial assets at fair value through other comprehensive income |       | -                        | 232,317         |
| Increase in financial assets at amortized cost                                              |       | ( 86,595 )               | ( 1,225,653 )   |
| Decrease in financial assets at amortized cost                                              |       | 15,365                   | 36,318          |
| Acquisition of financial assets at fair value through profit or loss                        |       | ( 44,285 )               | ( 245,611 )     |
| Proceeds from disposal of financial assets at fair value through profit or loss             |       | 5,824                    | 721             |
| Proceeds from capital reduction of financial assets at fair value through profit or loss    |       | 83,418                   | 68,110          |
| Acquisition of investments accounted for using the equity method                            |       | ( 11,609 )               | ( 10,531 )      |
| Prepayments for investments                                                                 |       | ( 25,043 )               | -               |
| Acquisition of property, plant and equipment and intangible assets                          | 6(35) | ( 568,371 )              | ( 1,875,710 )   |
| Proceeds from disposal of property, plant and equipment and intangible assets               |       | 4,621                    | 6,525           |
| Proceeds from disposal of non-current assets held for sale                                  |       | -                        | 795,964         |
| Increase in guarantee deposits paid                                                         |       | ( 84,485 )               | ( 69,901 )      |
| Decrease in guarantee deposits paid                                                         |       | 28,368                   | 33,372          |
| Acquisition of right-of-use assets                                                          |       | -                        | ( 122,663 )     |
| Increase in other financial assets - current                                                |       | ( 955,736 )              | -               |
| Decrease in other financial assets - current                                                |       | -                        | 1,619,406       |
| Decrease in other non-current assets                                                        |       | 27,402                   | 3,592           |
| Net cash used in investing activities                                                       |       | ( 2,629,631 )            | ( 1,141,741 )   |
| <b>Cash flows from financing activities</b>                                                 |       |                          |                 |
| Principal repayment of lease liability                                                      | 6(36) | ( 435,552 )              | ( 450,119 )     |
| Increase in short-term borrowings                                                           | 6(36) | 778,151,113              | 674,108,575     |
| Decrease in short-term borrowings                                                           | 6(36) | ( 779,966,684 )          | ( 650,814,560 ) |
| Increase in long-term borrowings (including current portion of long-term liabilities)       | 6(36) | 39,147,256               | 20,552,119      |
| Decrease in long-term borrowings (including current portion of long-term liabilities)       | 6(36) | ( 26,278,449 )           | ( 14,018,274 )  |
| Increase in short-term notes and bills payable                                              | 6(36) | 50,556,144               | 34,740,004      |
| Decrease in short-term notes and bills payable                                              | 6(36) | ( 52,658,700 )           | ( 32,236,694 )  |
| Increase in guarantee deposits received                                                     |       | 34,911                   | 680,827         |
| Decrease in guarantee deposits received                                                     |       | ( 158,989 )              | ( 592,911 )     |
| Distribution of cash dividends                                                              | 6(23) | ( 6,276,699 )            | ( 5,605,076 )   |
| Acquisition of ownership interests in subsidiaries                                          | 6(34) | -                        | ( 48,952 )      |
| Changes in non-controlling interests                                                        |       | ( 63,399 )               | 163,736         |
| Net cash provided by financing activities                                                   |       | 2,050,952                | 26,478,675      |
| Effect of exchange rate changes on cash and cash equivalents                                |       | 8,856,435                | ( 2,915,428 )   |
| Net increase in cash and cash equivalents                                                   |       | 2,189,402                | 3,387,920       |
| Cash and cash equivalents at beginning of year                                              |       | 14,407,940               | 11,020,020      |
| Cash and cash equivalents at end of year                                                    |       | \$ 16,597,342            | \$ 14,407,940   |

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

WPG HOLDINGS LIMITED AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,  
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANIZATION

- (1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company's subsidiary on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Co., Ltd. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively. After the Company's organization restructuring on January 1, 2014, World Peace Industrial Co., Ltd., Silicon Application Corp. and Yosun Industrial Corp. acquired 100% shares in AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. through share exchange, and consequently, AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. became indirectly owned subsidiaries. The Company originally evaluated Genuine C&C, Inc. using the equity method. The Company acquired partial stocks of Genuine C&C, Inc. on April 8, 2015 and completed the purchase on April 15, 2015. After the purchase, the Company held 60.5% shares of Genuine C&C, Inc. which became the Company's directly owned subsidiary. On September 1, 2017, the stock swap between Trigold Holdings Limited (Trigold) and the shareholders who previously owned Genuine C&C, Inc. was conducted at a stock swap ratio of 1:1. On the same day, Trigold was established and began OTC trading whereas Genuine C&C, Inc. was unlisted at OTC. The Company and subsidiaries owned a total of 60.51% equity of Trigold after the stock swap. The Company and the subsidiaries included in these consolidated financial statements are collectively referred as the "Group".
- (2) The Company was organized to create the management mechanism of the group, supervise the subsidiaries, integrate the whole group and improve operational efficiency. The Company's subsidiaries are mainly engaged in the distribution and sales of electronic / electrical components, sales of computer software and electrical products and sales of electronic / electrical components.



- (3) As of December 31, 2022, the Company's authorized capital was \$25,000,000 (certain shares can be issued as preference shares, and \$500,000 is reserved for employee stock option certificates, restricted stocks to employees, convertible preferred stock and convertible bonds), and the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share.

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

These consolidated financial statements were authorized for issuance by the Board of Directors on February 28, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

| <u>New Standards, Interpretations and Amendments</u>                                | <u>Effective date by<br/>International Accounting<br/>Standards Board</u> |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Amendments to IFRS 3, 'Reference to the conceptual framework'                       | January 1, 2022                                                           |
| Amendments to IAS 16, 'Property, plant and equipment: proceeds before intended use' | January 1, 2022                                                           |
| Amendments to IAS 37, 'Onerous contracts - cost of fulfilling a contract'           | January 1, 2022                                                           |
| Annual improvements to IFRS Standards 2018 - 2020                                   | January 1, 2022                                                           |

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) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

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

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

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

(3) IFRSs 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 endorsed by the FSC are as follows:

| <u>New Standards, Interpretations and Amendments</u>                                                                      | <u>Effective date by<br/>International Accounting<br/>Standards Board</u> |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture' | To be determined by<br>International Accounting<br>Standards Board        |
| Amendments to IFRS 16, 'Lease liability in a sale and leaseback'                                                          | January 1, 2024                                                           |
| IFRS 17, 'Insurance contracts'                                                                                            | January 1, 2023                                                           |
| Amendments to IFRS 17, 'Insurance contracts'                                                                              | January 1, 2023                                                           |
| Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'                               | January 1, 2023                                                           |
| Amendments to IAS 1, 'Classification of liabilities as current or non-current'                                            | January 1, 2024                                                           |
| Amendments to IAS 1, 'Non-current liabilities with covenants'                                                             | 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(1) Compliance statement

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

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
- (b) Financial assets at fair value through other comprehensive income 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 IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of 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:

- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be

reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

| Name of investor              | Name of subsidiary                              | Main business activities                                     | Ownership (%)     |                   | Description |
|-------------------------------|-------------------------------------------------|--------------------------------------------------------------|-------------------|-------------------|-------------|
|                               |                                                 |                                                              | December 31, 2022 | December 31, 2021 |             |
| WPG Holdings Limited          | World Peace Industrial Co., Ltd.                | Agent and sales of electronic / electrical components        | 100.00            | 100.00            |             |
| WPG Holdings Limited          | Silicon Application Corporation                 | Sales of computer software, hardware and electronic products | 100.00            | 100.00            |             |
| WPG Holdings Limited          | WPG Korea Co., Ltd.                             | Agent and sales of electronic / electrical components        | 100.00            | 100.00            |             |
| WPG Holdings Limited          | WPG Electronics Limited                         | Warehousing services                                         | 100.00            | 100.00            |             |
| WPG Holdings Limited          | WPG International (CI) Limited                  | Holding company                                              | 100.00            | 100.00            |             |
| WPG Holdings Limited          | Asian Information Technology Inc.               | Sales of electronic / electrical components                  | 100.00            | 100.00            |             |
| WPG Holdings Limited          | Yosun Industrial Corp.                          | "                                                            | 100.00            | 100.00            |             |
| WPG Holdings Limited          | WPG Investment Co., Ltd.                        | Investment company                                           | 100.00            | 100.00            |             |
| WPG Holdings Limited          | Trigold Holdings Limited                        | Holding company                                              | 58.86             | 58.86             |             |
| WPG Holdings Limited          | WPG EMEA B.V.                                   | Sales of electronic / electrical components                  | 100.00            | 100.00            | Note 8      |
| WPG Holdings Limited          | WPG Electronics (Hong Kong) Limited             | Agent and sales of electronic / electrical components        | 100.00            | 0.00              | Note 18     |
| WPG Holdings Limited          | WPG South Asia Pte. Ltd.                        | Sales of electronic / electrical components                  | 100.00            | 0.00              | Note 19     |
| WPG Investment Co., Ltd.      | Trigold Holdings Limited                        | Holding company                                              | 1.74              | 1.74              |             |
| WPG Investment Co., Ltd.      | LaaS Holdings (Samoa) Limited                   | "                                                            | 100.00            | 100.00            |             |
| LaaS Holdings (Samoa) Limited | LaaS Holdings (HK) Limited                      | "                                                            | 100.00            | 100.00            |             |
| LaaS Holdings (HK) Limited    | LaaS (Dongguan) Supply Chain Management Limited | Intelligent warehousing enhanced services                    | 100.00            | 100.00            |             |

| Name of investor                                | Name of subsidiary                               | Main business activities                              | Ownership (%)     |                   | Description        |
|-------------------------------------------------|--------------------------------------------------|-------------------------------------------------------|-------------------|-------------------|--------------------|
|                                                 |                                                  |                                                       | December 31, 2022 | December 31, 2021 |                    |
| World Peace Industrial Co., Ltd.                | WPI International (South Asia) Pte. Ltd.         | Agent and sales of electronic / electrical components | 100.00            | 100.00            | Note 11            |
| World Peace Industrial Co., Ltd.                | WPI Technology Pte. Ltd.                         | "                                                     | 100.00            | 100.00            | Notes 14 and 15    |
| World Peace Industrial Co., Ltd.                | Longview Technology Inc.                         | "                                                     | 100.00            | 100.00            |                    |
| World Peace Industrial Co., Ltd.                | AECO Technology Co., Ltd.                        | "                                                     | 100.00            | 100.00            |                    |
| AECO Technology Co., Ltd.                       | Teco Enterprise Holding (BVI) Co., Ltd.          | Investment company                                    | 100.00            | 100.00            |                    |
| Teco Enterprise Holding (BVI) Co., Ltd.         | AECO Electronic Co., Ltd.                        | Trading of electronic / electrical products           | 100.00            | 100.00            |                    |
| WPI International (South Asia) Pte. Ltd.        | World Peace International Pte. Ltd.              | Holding company                                       | 0.00              | 100.00            | Notes 11 and 12    |
| WPI International (South Asia) Pte. Ltd.        | Genuine C&C (Indo China) Pte., Ltd.              | Agent and sales of electronic / electrical components | 80.00             | 0.00              | Notes 11 and 12    |
| WPI International (South Asia) Pte. Ltd.        | WPG Americans Inc.                               | "                                                     | 4.31              | 0.00              | Notes 2, 11 and 12 |
| WPI International (South Asia) Pte. Ltd.        | World Peace International (South Asia) Pte. Ltd. | "                                                     | 100.00            | 0.00              | Notes 11 and 12    |
| World Peace International Pte. Ltd.             | Genuine C&C (IndoChina) Pte., Ltd.               | "                                                     | 0.00              | 80.00             | Note 12            |
| World Peace International Pte. Ltd.             | WPG Americas Inc.                                | "                                                     | 0.00              | 4.31              | Notes 2 and 12     |
| World Peace International Pte. Ltd.             | World Peace International (South Asia) Pte Ltd.  | "                                                     | 0.00              | 100.00            | Note 12            |
| World Peace International (South Asia) Pte Ltd. | World Peace International (India) Pvt., Ltd.     | "                                                     | 100.00            | 100.00            |                    |
| World Peace International (South Asia) Pte Ltd. | WPG C&C (Malaysia) Sdn. Bhd                      | "                                                     | 100.00            | 100.00            |                    |
| World Peace International (South Asia) Pte Ltd. | WPG C&C (Thailand) Co., Ltd.                     | Agent and sales of information products               | 100.00            | 100.00            | Note 3             |

| Name of investor                                | Name of subsidiary                                       | Main business activities                                     | Ownership (%)     |                   | Description     |
|-------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|-------------------|-------------------|-----------------|
|                                                 |                                                          |                                                              | December 31, 2022 | December 31, 2021 |                 |
| World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited | Agent and sales of electronic / electrical components        | 100.00            | 100.00            |                 |
| WPI Technology Pte. Ltd.                        | WPI International (Hong Kong) Limited                    | "                                                            | 100.00            | 100.00            | Notes 14 and 15 |
| WPI International (Hong Kong) Limited           | WPG C&C Limited                                          | Agent and sales of information products                      | 100.00            | 100.00            |                 |
| WPI International (Hong Kong) Limited           | AIO Components Company Limited                           | Agent and sales of electronic / electrical components        | 0.00              | 0.00              | Note 10         |
| Longview Technology Inc.                        | Longview Technology GC Limited                           | Holding company                                              | 100.00            | 100.00            |                 |
| Longview Technology Inc.                        | Long-Think International Co., Ltd.                       | Agent and sales of electronic / electrical components        | 100.00            | 100.00            | Note 16         |
| Longview Technology GC Limited                  | Long-Think International (Hong Kong) Limited             | "                                                            | 100.00            | 100.00            |                 |
| Silicon Application Corporation                 | Silicon Application (BVI) Corp.                          | Holding company                                              | 100.00            | 100.00            |                 |
| Silicon Application Corporation                 | Win-Win Systems Ltd.                                     | "                                                            | 100.00            | 100.00            |                 |
| Silicon Application Corporation                 | SAC Components (South Asia) Pte. Ltd.                    | Sales of computer software, hardware and electronic products | 100.00            | 100.00            |                 |
| Silicon Application Corporation                 | Pernas Electronic Co., Ltd.                              | Agent and sales of electronic / electrical components        | 100.00            | 100.00            |                 |
| Pernas Electronics Co., Ltd.                    | Everwiner Enterprise Co., Ltd.                           | "                                                            | 100.00            | 100.00            |                 |
| Silicon Application (BVI) Corp.                 | Silicon Application Company Limited                      | Sales of computer software, hardware and electronic products | 100.00            | 100.00            |                 |
| Silicon Application Company Limited             | Dstar Electronic Company Limited                         | "                                                            | 0.00              | 0.00              | Note 9          |
| WPG Korea Co., Ltd.                             | Apache Communication Inc. (B.V.I.)                       | Investment company                                           | 100.00            | 100.00            |                 |
| Apache Communication Inc. (B.V.I.)              | Apache Korea Corp.                                       | Sales of electronic / electrical components                  | 100.00            | 100.00            |                 |

| Name of investor                      | Name of subsidiary                    | Main business activities                                     | Ownership (%)     |                   | Description |
|---------------------------------------|---------------------------------------|--------------------------------------------------------------|-------------------|-------------------|-------------|
|                                       |                                       |                                                              | December 31, 2022 | December 31, 2021 |             |
| WPG International (CI) Limited        | WPG International (Hong Kong) Limited | Holding company                                              | 100.00            | 100.00            |             |
| WPG International (CI) Limited        | WPG Americas Inc.                     | Agent and sales of electronic / electrical components        | 95.69             | 95.69             | Note 2      |
| WPG International (CI) Limited        | WPG South Asia Pte. Ltd.              | Sales of electronic / electrical components                  | 0.00              | 100.00            | Note 19     |
| WPG International (CI) Limited        | WPG Cloud Service Limited             | General trading                                              | 100.00            | 100.00            |             |
| WPG International (CI) Limited        | WPG Gain Tune Ltd.                    | Agent and sales of electronic / electrical components        | 100.00            | 100.00            |             |
| WPG International (Hong Kong) Limited | WPG Electronics (Hong Kong) Limited   | "                                                            | 0.00              | 100.00            | Note 18     |
| WPG International (Hong Kong) Limited | WPG China Inc.                        | "                                                            | 100.00            | 100.00            |             |
| WPG International (Hong Kong) Limited | WPG China (SZ) Inc.                   | Sales of computer software, hardware and electronic products | 100.00            | 100.00            |             |
| WPG South Asia Pte. Ltd.              | WPG Malaysia Sdn. Bhd                 | Agent and sales of electronic / electrical components        | 100.00            | 100.00            |             |
| WPG South Asia Pte. Ltd.              | WPG (Thailand) Co., Ltd.              | "                                                            | 100.00            | 100.00            | Note 5      |
| WPG South Asia Pte. Ltd.              | WPG India Electronics Pvt. Ltd.       | "                                                            | 99.99             | 99.99             | Note 6      |
| WPG South Asia Pte. Ltd.              | WPG Electronics (Philippines) Inc.    | "                                                            | 100.00            | 100.00            | Note 4      |
| WPG South Asia Pte. Ltd.              | WPG SCM Limited                       | "                                                            | 100.00            | 100.00            |             |
| WPG South Asia Pte. Ltd.              | WPG Vietnam Co., Ltd.                 | "                                                            | 100.00            | 100.00            |             |
| WPG Malaysia Sdn. Bhd                 | WPG India Electronics Pvt. Ltd.       | "                                                            | 0.01              | 0.01              | Note 6      |
| WPG South Asia Pte. Ltd.              | Yosun Singapore Pte., Ltd.            | Sales of electronic / electrical components                  | 100.00            | 0.00              | Note 20     |
| Asian Information Technology Inc.     | Apache Communication Inc.             | Sales of electronic / electrical products                    | 100.00            | 100.00            |             |

| Name of investor                       | Name of subsidiary                        | Main business activities                              | Ownership (%)     |                   | Description |
|----------------------------------------|-------------------------------------------|-------------------------------------------------------|-------------------|-------------------|-------------|
|                                        |                                           |                                                       | December 31, 2022 | December 31, 2021 |             |
| Asian Information Technology Inc.      | Henshen Electric Trading Co., Ltd.        | Sales of electronic / electrical products             | 100.00            | 100.00            |             |
| Asian Information Technology Inc.      | Frontek Technology Corporation            | "                                                     | 100.00            | 100.00            |             |
| Asian Information Technology Inc.      | Fame Hall International Co., Ltd.         | Investment company                                    | 100.00            | 100.00            |             |
| Frontek Technology Corporation         | Frontek International Limited             | "                                                     | 100.00            | 100.00            |             |
| Fame Hall International Co., Ltd.      | AIT Japan Inc.                            | Sales of electronic / electrical products             | 100.00            | 100.00            |             |
| Frontek International Limited          | Gather Technology Incorporation Limited   | Sales of electronic electrical components             | 100.00            | 100.00            |             |
| Yosun Industrial Corp.                 | Sertek Incorporated                       | "                                                     | 100.00            | 100.00            |             |
| Yosun Industrial Corp.                 | Suntop Investments Limited                | Investment company                                    | 100.00            | 100.00            |             |
| Yosun Industrial Corp.                 | Richpower Electronic Devices Co., Ltd.    | Sales of electronic / electrical components           | 100.00            | 100.00            |             |
| Richpower Electronic Devices Co., Ltd. | Richpower Electronic Devices Co., Limited | Sales of electronic / electrical products             | 100.00            | 100.00            |             |
| Richpower Electronic Devices Co., Ltd. | Richpower Electronic Devices Pte., Ltd.   | "                                                     | 100.00            | 100.00            |             |
| Sertek Incorporated                    | Sertek Limited                            | Sales of electronic / electrical components           | 100.00            | 100.00            |             |
| Suntop Investments Limited             | Yosun Hong Kong Corp. Ltd.                | "                                                     | 100.00            | 100.00            |             |
| Suntop Investments Limited             | Yosun Singapore Pte Ltd.                  | "                                                     | 0.00              | 100.00            | Note 20     |
| Yosun Hong Kong Corp. Ltd.             | Yosun South China Corp. Ltd.              | "                                                     | 100.00            | 100.00            |             |
| Yosun Hong Kong Corp. Ltd.             | Yosun Shanghai Corp. Ltd.                 | Warehouse business and sales of electronic components | 100.00            | 100.00            |             |
| Trigold Holdings Limited               | Genuine C&C Inc.                          | Sales of computer and its peripherals                 | 100.00            | 100.00            |             |
| Trigold Holding Limited                | Trigold (Hong Kong) Company Limited       | Holding company                                       | 100.00            | 100.00            |             |



| Name of investor                                 | Name of subsidiary                                    | Main business activities                                    | Ownership (%)     |                   | Description    |
|--------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------------|-------------------|-------------------|----------------|
|                                                  |                                                       |                                                             | December 31, 2022 | December 31, 2021 |                |
| Trigold Holding Limited                          | Peng Yu Trigold Limited                               | Sales of electronic / electrical products                   | 100.00            | 0.00              | Note 13        |
| Trigold (Hong Kong) Company Limited              | Peng Yu (Shanghai) Digital Technology Co., Ltd.       | "                                                           | 100.00            | 100.00            |                |
| Trigold (Hong Kong) Company Limited              | WPG C&C Shanghai Co., Ltd.                            | "                                                           | 100.00            | 100.00            |                |
| Trigold (Hong Kong) Company Limited              | Trigolduo (Shanghai) Industrial Development Ltd.      | Children's indoor amusement park                            | 70.00             | 70.00             |                |
| Trigold (Hong Kong) Company Limited              | Peng Yu Trigold Limited                               | Sales of electronic/ electrical products                    | 0.00              | 100.00            | Notes 7 and 13 |
| Trigolduo (Shanghai) Industrial Development Ltd. | Trigold Tongle (Shanghai) Industrial Development Ltd. | Children's indoor amusement park                            | 100.00            | 100.00            |                |
| Genuine C&C, Inc.                                | Hoban Inc.                                            | An E-commerce company which operates B2C and O2O businesses | 100.00            | 100.00            |                |
| Genuine C&C, Inc.                                | Genuine C&C Holding Inc. (Seychelles)                 | Holding company                                             | 100.00            | 100.00            |                |
| Peng Yu (Shanghai) Digital Technology Co., Ltd.  | Peng Yu International Limited                         | Sales of electronic/electrical products                     | 100.00            | 100.00            |                |
| WPG EMEA B.V.                                    | WPG EMEA UK LIMITED                                   | Sales of electronic / electrical components                 | 100.00            | 0.00              | Note 17        |

Note 1: The combined ownership percentage of common shares held by the Company and its subsidiaries is more than 50% or has control power.

Note 2: World Peace Industrial Co., Ltd. totally held 4.31% of shares of WPG Americas Inc. through World Peace International (South Asia) Pte Ltd. and WPI International (Hong Kong) Limited. Along with shares of WPG Americas Inc. held by WPG International (CI) Limited, the total shareholding ratio is 100%.

Note 3: Due to restriction of local regulations, the Company holds 51% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.

Note 4: Due to restriction of local regulations, the Company holds 62% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.

- Note 5: Due to restriction of local regulations, the Company holds 61% ownership which is under the name of other individuals. The substantial ownership held by the Company is 100%.
- Note 6: WPG South Asia Pte. Ltd. and WPG Malaysia Sdn. Bhd. separately hold 99.99% and 0.01% of shares of the subsidiary, respectively, and both companies together hold 100% of shares of the subsidiary.
- Note 7: The subsidiary was established in January 2021.
- Note 8: The subsidiary was established in March 2021.
- Note 9: The subsidiary was liquidated in June 2021.
- Note 10: The subsidiary had been dissolved and liquidated in March 2021, and the process of liquidation was completed in July 2021.
- Note 11: The subsidiary, World Peace International (BVI) Limited, was renamed to WPI International (South Asia) Pte. Ltd. in November 2021.
- Note 12: WPI International (South Asia) Pte. Ltd. merged with World Peace International Pte. Ltd., and the effective date for the merger was set on January 1, 2022. Under the merger, WPI International (South Asia) Pte. Ltd. was the surviving company while World Peace International Pte. Ltd. was the dissolved company. The equity interests held by World Peace International Pte. Ltd. was transferred to WPI International (South Asia) Pte. Ltd.
- Note 13: The Board of Directors of Trigold Holdings Limited resolved to acquire a 100% equity interest in Peng Yu Trigold Limited from Trigold (Hong Kong) Company Limited, and the effective date for the transaction was set on January 1, 2022.
- Note 14: The subsidiary, WPI Investment Holding (BVI) Company Ltd., was renamed to WPI Investment Holding Company Pte. Ltd. in March 2022.
- Note 15: The subsidiary, WPI Investment Holding Company Pte. Ltd., was renamed to WPI Technology Pte. Ltd. in August 2022.
- Note 16: In December 2022, the subsidiary, Long-Think International Co., Ltd., was dissolved and liquidated, however, as of December 31, 2022, the liquidation process has not yet been completed.
- Note 17: The subsidiary was established in November 2022.
- Note 18: In October 2022, WPG International (CI) Limited acquired a 100% equity interest in WPG Electronics (Hong Kong) Limited from WPG International (Hong Kong) Limited, and the effective date for the transaction was set on October 1, 2022. Additionally, in December 2022, the Company acquired a 100% equity interest in WPG Electronics (Hong Kong) Limited from WPG International (CI) Limited, and the effective date for the transaction was set on

December 1, 2022.

Note 19: The Board of Directors of the Group resolved to acquire a 100% equity interest in WPG South Asia Pte. Ltd. from WPG International (CI) Limited, and the effective date for the transaction was set on December 1, 2022.

Note 20: In December 2022, WPG South Asia Pte. Ltd. acquired a 100% equity interest in Yosun Singapore Pte. Ltd. from Suntop Investments Limited, and the effective date for the transaction was set on December 31, 2022.

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 December 31, 2022 and 2021, the non-controlling interest amounted to \$857,053 and \$825,417, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

| <u>Name of subsidiary</u>                            | <u>Principal place of business</u> | <u>Non-controlling interest</u> |                  |                          |                  |
|------------------------------------------------------|------------------------------------|---------------------------------|------------------|--------------------------|------------------|
|                                                      |                                    | <u>December 31, 2022</u>        |                  | <u>December 31, 2021</u> |                  |
|                                                      |                                    | <u>Amount</u>                   | <u>Ownership</u> | <u>Amount</u>            | <u>Ownership</u> |
| Trigold Holdings Limited and its subsidiaries (Note) | Taiwan                             | \$ 815,604                      | 39.40%           | \$ 780,787               | 39.40%           |

Note: Details of equity interest in Trigold Holdings Limited held by the Company are provided in Note 1(1).

Summarized financial information of the subsidiaries:

(a) Balance sheets

|                                                     | <u>Trigold Holdings Limited and its subsidiaries</u> |                          |
|-----------------------------------------------------|------------------------------------------------------|--------------------------|
|                                                     | <u>December 31, 2022</u>                             | <u>December 31, 2021</u> |
| Current assets                                      | \$ 7,572,748                                         | \$ 6,158,770             |
| Non-current assets                                  | 402,516                                              | 352,674                  |
| Current liabilities                                 | ( 5,722,719)                                         | ( 4,407,464)             |
| Non-current liabilities                             | ( 185,964)                                           | ( 115,901)               |
| Total net assets                                    | 2,066,581                                            | 1,988,079                |
| Less: Non-controlling interest                      | ( 3,484)                                             | 5,797                    |
| Equity attributable to owners of the parent company | <u>\$ 2,070,065</u>                                  | <u>\$ 1,982,282</u>      |

(b) Statements of comprehensive income

|                                                                      | <u>Trigold Holdings Limited and its subsidiaries</u> |                   |
|----------------------------------------------------------------------|------------------------------------------------------|-------------------|
|                                                                      | <u>Years ended December 31,</u>                      |                   |
|                                                                      | <u>2022</u>                                          | <u>2021</u>       |
| Revenue                                                              | \$ 20,382,375                                        | \$ 18,833,727     |
| Profit before tax                                                    | 241,981                                              | 508,439           |
| Income tax expense                                                   | ( 67,178)                                            | ( 120,590)        |
| Profit for the year                                                  | 174,803                                              | 387,849           |
| Other comprehensive income (loss),<br>net of tax                     | 65,439                                               | ( 13,531)         |
| Total comprehensive income                                           | <u>\$ 240,242</u>                                    | <u>\$ 374,318</u> |
| Total comprehensive loss attributable<br>to non-controlling interest | ( 9,281)                                             | ( 6,105)          |
| Dividends paid to non-controlling<br>interests                       | <u>\$ 63,399</u>                                     | <u>\$ 43,988</u>  |

(c) Statements of cash flows

|                                                          | <u>Trigold Holdings Limited and its subsidiaries</u> |                     |
|----------------------------------------------------------|------------------------------------------------------|---------------------|
|                                                          | <u>Years ended December 31,</u>                      |                     |
|                                                          | <u>2022</u>                                          | <u>2021</u>         |
| Net cash (used in) provided by<br>operating activities   | (\$ 2,064,160)                                       | \$ 1,332,954        |
| Net cash used in investing activities                    | ( 207,429)                                           | ( 322,844)          |
| Net cash provided by (used in)<br>financing activities   | 2,122,311                                            | ( 405,664)          |
| Effect of exchange rates on cash and<br>cash equivalents | 105,475                                              | ( 23,374)           |
| (Decrease) increase in cash and cash<br>equivalents      | ( 43,803)                                            | 581,072             |
| Cash and cash equivalents, beginning<br>of year          | 1,600,601                                            | 1,019,529           |
| Cash and cash equivalents, end of<br>year                | <u>\$ 1,556,798</u>                                  | <u>\$ 1,600,601</u> |

(4) Foreign currency translation

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

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such

transactions are recognized in profit or loss in the period in which they arise.

- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - i. Assets and liabilities presented in each balance sheet are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expense presented in each comprehensive income statement are translated at average exchange rates of that period.
  - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) The operating results and financial position of foreign branches that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
  - iii. Accounts with head office and operating capital are translated at historical exchange rate; and
  - iv. Differences arising from translation of overseas branches' financial statements are shown as 'other equity—exchange differences on translation of foreign financial statements' under shareholders' equity.
- (c) When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when

the Group retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

- (d) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.
- (e) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
  - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
  - (a) Liabilities that are expected to be settled within the normal operating cycle;
  - (b) Liabilities arising mainly from trading activities;
  - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
  - (d) Liabilities for which the repayment date cannot be deferred unconditionally for at least twelve months after the balance sheet date.

(6) Cash equivalents

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

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income. Derivatives are also categorized as financial assets held for trading unless they are designated as

hedges.

- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.
- D. The Group recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
- C. Financial assets are initially recognized at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value. The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortized cost

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

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(11) Impairment of financial assets

For financial assets at amortized cost including accounts and notes receivable, at each reporting date, the Group recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable

and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognizes the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

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

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

(13) Inventories

- A. The cost of inventories includes the purchase price, import duties and other costs directly attributable to the acquisition of goods. The discount, allowance and others alike should be deducted from the cost.
- B. Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(14) Investments accounted for using equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income and such changes do not affect the Group's ownership percentage of the associate, the Group recognizes change in ownership interests of the associate in 'capital reserve' in proportion to its ownership.
- D. Significant unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to



ensure consistency with the policies adopted by the Group.

- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital reserve' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital reserve in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognized as capital reserve in relation to the associate are transferred to profit or loss proportionately.

(15) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Property, plant and equipment are measured at cost model subsequently. Land is not depreciated. Other property, plant and equipment are depreciated using the straight-line method over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

|                          |             |
|--------------------------|-------------|
| Buildings and structures | 3 ~55 years |
| Transportation equipment | 2~10 years  |
| Office equipment         | 2~25 years  |
| Leasehold improvements   | 1~17 years  |
| Others                   | 2~10 years  |

(16) Leasing arrangements (lessee) — right-of-use assets/lease liabilities

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:
- (a) Fixed payments, less any lease incentives receivable;
  - (b) Amounts expected to be payable by the lessee under residual value guarantees;
  - (c) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
  - (d) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option. The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
- (a) The amount of the initial measurement of lease liability;
  - (b) Any lease payments made at or before the commencement date;
  - (c) Any initial direct costs incurred by the lessee; and
  - (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 20 ~ 50 years.

(18) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Except for goodwill, intangible assets, mainly computer software and operating right, are stated at cost and amortized on a straight-line basis over their estimated useful lives of 1 ~ 10 years.

(19) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

B. The recoverable amounts of goodwill shall be evaluated periodically. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognized in profit or loss shall not be reversed in the following years.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination.

(20) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

- B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.
- (21) Accounts and notes payable
- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term accounts and notes payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- (22) Financial liabilities at fair value through profit or loss
- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognized in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognized in profit or loss.
- (23) Derecognition of financial liabilities
- A financial liability is derecognized when the obligation under the liability specified the Group the contract is discharged or cancelled or expires.
- (24) Offsetting financial instruments
- Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.
- (25) Non-hedging derivatives
- Non-hedging derivatives are initially recognized at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognized in profit or loss.
- (26) Employee benefits
- A. Short-term employee benefits
- Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.
- B. Pensions
- (a) Defined contribution plans
- For defined contribution plans, the contributions are recognized as pension expenses

when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

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

C. Employees' compensation and directors' remuneration

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

(27) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying

amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

- D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(28) Share capital

Ordinary shares are classified as equity. The classification of preference shares is determined by assessing the particular rights attached to the preference shares based on the substance of the contract and the definition of financial liabilities and equity instruments. Preference shares are classified as liabilities when they have the fundamental characteristic of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(29) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(30) Revenue recognition

- A. The Group sells electrical components and related products. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and

either the customer has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

- B. Sales revenue was recognized based on the contract price net of volume discounts or sales discount. Accumulated experience is used to estimate and provide for the volume discounts or sales discounts, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A refund liability is recognized for expected volume discounts or sales discounts payable to customers in relation to sales made until the end of the reporting period.
- C. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(31) Business combinations

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

(32) Operating segments

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

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

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

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

Revenue recognition on a net/gross basis

The Group determines whether the nature of its performance obligation is to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for the other party to provide those goods or services (i.e. the Group is an agent) based on the transaction model and its economic substance. The Group is a principal if it controls a promised good or service before it transfers the good or service to a customer. The Group recognizes revenue at gross amount of consideration to which it expects to be entitled in exchange for those goods or services transferred. The Group is an agent if its performance obligation is to arrange for the provision of goods or services by another party. The Group recognizes revenue at the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services.

Indicators that the Group controls the good or service before it is provided to a customer include the following:

- A. The Group is primarily responsible for the provision of goods or services.
- B. The Group assumes the inventory risk before transferring the specified goods or services to the customer or after transferring control of the goods or services to the customer.
- C. The Group has discretion in establishing prices for the goods or services.

(2) Critical accounting estimates and assumptions

A. Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. Refer to Note 6(13) for the information on goodwill impairment.

B. Valuation of provision for allowance for accounts receivable

In the process of assessing uncollectible accounts, the Group must use judgements and assumptions to determine the collectability of accounts receivable. The collectability is affected by various factors: customers' financial conditions, the Company's internal credit ratings, historical experience, current economic conditions, etc. When sales are not



expected to be collected, the Group recognizes a specific allowance for doubtful receivables after the assessment. The assumptions and estimates of allowance for uncollectible accounts are based on concerning future events as that on the balance sheet date. Assumptions and estimates may differ from the actual results which may result in a material adjustment. Refer to Note 12(2) for the information on assessing uncollectible accounts for doubtful receivables.

## 6. DETAILS OF SIGNIFICANT ACCOUNTS

### (1) Cash and cash equivalents

|                             | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-----------------------------|--------------------------|--------------------------|
| Petty cash and cash on hand | \$ 9,245                 | \$ 7,147                 |
| Checking accounts deposits  | 3,269,467                | 2,969,222                |
| Demand deposits             | 11,727,841               | 10,449,997               |
| Time deposits               | 1,590,789                | 981,574                  |
|                             | <u>\$ 16,597,342</u>     | <u>\$ 14,407,940</u>     |

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. There were no cash and cash equivalents pledged to others.

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

| <u>Items</u>                                                               | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------------------------------------------------------|--------------------------|--------------------------|
| Current items:                                                             |                          |                          |
| Financial assets mandatorily measured at fair value through profit or loss |                          |                          |
| Listed stocks                                                              | \$ -                     | \$ 5,282                 |
| Derivatives                                                                | 4,652                    | 1,523                    |
|                                                                            | <u>4,652</u>             | <u>6,805</u>             |
| Valuation adjustment                                                       | 1,223                    | 1,591                    |
|                                                                            | <u>\$ 5,875</u>          | <u>\$ 8,396</u>          |
| Financial liabilities held for trading                                     |                          |                          |
| Derivatives                                                                | \$ 4,148                 | \$ 7,068                 |
| Non-current items:                                                         |                          |                          |
| Financial assets mandatorily measured at fair value through profit or loss |                          |                          |
| Listed stocks                                                              | \$ 177,849               | \$ 182,766               |
| Unlisted stocks                                                            | 1,495,281                | 1,549,453                |
| Preference stocks of non-public companies                                  | 34,200                   | 34,200                   |
|                                                                            | <u>1,707,330</u>         | <u>1,766,419</u>         |
| Valuation adjustment                                                       | 17,287                   | 153,681                  |
|                                                                            | <u>\$ 1,724,617</u>      | <u>\$ 1,920,100</u>      |

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

|                                                                                          | Years ended December 31, |                   |
|------------------------------------------------------------------------------------------|--------------------------|-------------------|
|                                                                                          | 2022                     | 2021              |
| Financial assets / liabilities mandatorily measured at fair value through profit or loss |                          |                   |
| Equity instruments                                                                       | (\$ 173,878)             | \$ 531,827        |
| Derivatives                                                                              | 177,177                  | 915               |
|                                                                                          | <u>\$ 3,299</u>          | <u>\$ 532,742</u> |

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

| Derivative financial instruments   | December 31, 2022                                 |                       |
|------------------------------------|---------------------------------------------------|-----------------------|
|                                    | Contract amount<br>(notional principal)<br>(Note) | Contract period       |
| Current items:                     |                                                   |                       |
| Forward foreign exchange contracts |                                                   |                       |
| - Sell                             | USD 3,700                                         | 2022.12.06~2023.02.28 |
|                                    | RMB 65,000                                        | 2022.12.23~2023.03.23 |
|                                    | EUR 800                                           | 2022.11.08~2023.02.06 |
| - Sell-SWAP                        | USD 3,000                                         | 2022.12.23~2023.01.13 |
| - Buy                              | USD 22,936                                        | 2022.09.29~2023.01.30 |
| Futures                            | \$ 2,828                                          | 2022.12.30~2023.01.30 |

| Derivative financial instruments   | December 31, 2021                                 |                       |
|------------------------------------|---------------------------------------------------|-----------------------|
|                                    | Contract amount<br>(notional principal)<br>(Note) | Contract period       |
| Current items:                     |                                                   |                       |
| Forward foreign exchange contracts |                                                   |                       |
| - Sell                             | RMB 30,000                                        | 2021.10.29~2022.03.21 |
| - Sell-SWAP                        | USD 10,000                                        | 2021.12.14~2022.01.26 |
| - Buy                              | USD 29,490                                        | 2021.11.18~2022.03.30 |
|                                    | EUR 1,500                                         | 2021.12.14~2022.01.14 |
| Futures                            | \$ 7,303                                          | 2021.12.29~2022.01.19 |

Note: Amounts are expressed in thousands.

(a) Forward foreign exchange contracts

The Group entered into forward exchange contracts to manage exposures to foreign exchange rate fluctuations of import or export sales. However, the forward exchange contracts did not meet the criteria for hedge accounting. Therefore, the Group did not apply hedge accounting.

(b) Futures

The futures which are owned by the Group are stock index futures aiming to earn the spread. As of December 31, 2022 and 2021, the balance of margin in the account were \$3,372 and \$3,841, and the amount of excess margin were \$3,188 and \$3,473, respectively.

C. Details of the Group's financial assets at fair value through profit or loss pledged to others as collateral are provided in Note 8.

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

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

| <u>Items</u>         | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------|--------------------------|--------------------------|
| Non-current items:   |                          |                          |
| Equity instruments   |                          |                          |
| Listed stocks        | \$ 2,903,556             | \$ 2,041,050             |
| Unlisted stocks      | <u>228,006</u>           | <u>72,007</u>            |
|                      | 3,131,562                | 2,113,057                |
| Valuation adjustment | <u>209,521</u>           | <u>1,208,505</u>         |
|                      | <u>\$ 3,341,083</u>      | <u>\$ 3,321,562</u>      |

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$3,341,083 and \$3,321,562 as at December 31, 2022 and 2021, respectively.

B. 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:

|                                                                          | <u>Years ended December 31,</u> |                     |
|--------------------------------------------------------------------------|---------------------------------|---------------------|
|                                                                          | <u>2022</u>                     | <u>2021</u>         |
| <u>Financial assets at fair value through other comprehensive income</u> |                                 |                     |
| Fair value change recognized in other comprehensive (loss) income        | (\$ <u>998,984</u> )            | \$ <u>1,303,437</u> |
| Cumulative gains reclassified to retained earnings due to derecognition  | <u>\$ -</u>                     | <u>\$ 189,116</u>   |

- C. As at December 31, 2022 and 2021, 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 amounted to \$3,131,562 and \$2,113,057, respectively.
- D. The Group has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- E. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Financial assets at amortized cost

| <u>Items</u>                | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-----------------------------|--------------------------|--------------------------|
| Current items:              |                          |                          |
| Time deposits               | \$ 279,144               | \$ 220,199               |
| Non-current items:          |                          |                          |
| Earmarked repatriated funds | \$ 1,595,669             | \$ 1,438,233             |

- A. Amounts recognized in profit or loss in relation to financial assets at amortized cost are listed below:

|                 | <u>Years ended December 31,</u> |             |
|-----------------|---------------------------------|-------------|
|                 | <u>2022</u>                     | <u>2021</u> |
| Interest income | \$ 38,352                       | \$ 4,712    |

- B. As of December 31, 2022 and 2021, the Group's certain offshore funds in the amount of \$1,595,669 and \$1,438,233 are restricted under the Management, Utilization, and Taxation of Repatriated Offshore Funds Act, respectively, and were reclassified as "financial assets at amortized cost - non-current".
- C. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.
- D. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2).

(5) Notes and accounts receivable

|                                            | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|--------------------------------------------|--------------------------|--------------------------|
| Notes receivable                           | \$ 2,427,415             | \$ 2,741,206             |
| Less: Allowance for uncollectible accounts | -                        | (4)                      |
|                                            | <u>\$ 2,427,415</u>      | <u>\$ 2,741,202</u>      |
| Accounts receivable                        | \$ 118,681,279           | \$ 132,040,252           |
| Less: Allowance for uncollectible accounts | (643,430)                | (671,924)                |
|                                            | <u>\$ 118,037,849</u>    | <u>\$ 131,368,328</u>    |

A. The ageing analysis of accounts receivable and notes receivable is as follows:

|                  | December 31, 2022    |                     | December 31, 2021    |                     |
|------------------|----------------------|---------------------|----------------------|---------------------|
|                  | Accounts receivable  | Notes receivable    | Accounts receivable  | Notes receivable    |
| Not past due     | \$109,565,300        | \$ 2,421,010        | \$121,860,512        | \$ 2,741,173        |
| One month        | 7,863,041            | 6,405               | 9,352,793            | 33                  |
| Two months       | 603,621              | -                   | 300,947              | -                   |
| Three months     | 178,671              | -                   | 57,003               | -                   |
| Four months      | 42,819               | -                   | 5,208                | -                   |
| Over four months | 427,827              | -                   | 463,789              | -                   |
|                  | <u>\$118,681,279</u> | <u>\$ 2,427,415</u> | <u>\$132,040,252</u> | <u>\$ 2,741,206</u> |

The above ageing analysis was based on the number of months past due.

B. As of December 31, 2022, December 31, 2021 and January 1, 2021, the Group's receivables (including notes receivable) arising from contracts with customers amounted to \$121,108,694, \$134,781,458 and \$112,150,277, respectively.

C. The Group has no notes and accounts receivable pledged to others as collateral.

D. As at December 31, 2022 and 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable was \$2,427,415 and \$2,741,202, and accounts receivable was \$118,037,849 and \$131,368,328, respectively.

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

(6) Transfer of financial assets

Transferred financial assets that are derecognized in their entirety

The Group entered into factoring of accounts receivable with banks. In accordance with the contract requirements, the Group shall only be liable for the losses incurred on any commercial dispute and did not assume the risk of uncollectible accounts receivable. The Group does not have any continuing involvement in the transferred accounts receivable. The derecognized amounts had already deducted the estimated commercial disputes. The commercial papers and time deposits pledged to the banks are for losses incurred only on commercial disputes or for the banks' practice of accounts receivable factoring. The pledged commercial papers and time deposits do not cover losses other than those arising from commercial disputes. As of December 31, 2022 and 2021, outstanding accounts receivable were as follows:

December 31, 2022

| Purchaser of<br>accounts receivable                          | Accounts<br>receivable<br>transferred | Amount<br>derecognized | Facilities<br>(In thousands) | Amount<br>advanced | Interest rate<br>of amount<br>advanced | Pledged<br>assets |
|--------------------------------------------------------------|---------------------------------------|------------------------|------------------------------|--------------------|----------------------------------------|-------------------|
| Cathay United Bank                                           | \$ 373,179                            | \$ 373,179             | USD 27,000                   | \$ 373,179         | 2.91%~5.07%                            | None              |
| Mega International<br>Commercial Bank                        | 1,677,607                             | 1,677,607              | USD 125,500                  | 1,366,154          | 4.36%~6.22%                            | Note 1            |
|                                                              |                                       |                        | \$ 690,000                   |                    |                                        |                   |
| CTBC Bank                                                    | 5,184,203                             | 5,184,203              | USD 429,200                  | 2,515,265          | 2.28%~5.22%                            | Note 2            |
| E. SUN Commercial<br>Bank                                    | 2,859,109                             | 2,859,109              | USD 275,000                  | 1,911,492          | 3.03%~6.19%                            | Note 3            |
|                                                              |                                       |                        | \$ 20,000                    |                    |                                        |                   |
| Taipei Fubon<br>Commercial Bank                              | 1,364,525                             | 1,364,525              | USD 112,500                  | 988,277            | 3.07%~5.35%                            | Note 4            |
| Yuanta Commercial<br>Bank                                    | 296,629                               | 296,629                | USD 29,000                   | 59,337             | 5.84%~5.92%                            | Note 5            |
| The Hong Kong and<br>Shanghai Banking<br>Corporation Limited | 7,380,004                             | 7,380,004              | USD 362,900                  | 5,393,161          | 4.67%~5.17%                            | Note 6            |
| Standard Chartered<br>Bank                                   | 43,737                                | 43,737                 | USD 3,000                    | -                  | -                                      | None              |
| Taishin International<br>Bank                                | 3,696,211                             | 3,696,211              | USD 21,000                   | 2,906,118          | 4.2%~5.49%                             | Note 7            |
|                                                              |                                       |                        | \$ 11,510,000                |                    |                                        |                   |
| Bank SinoPac                                                 | 1,727,485                             | 1,727,485              | USD 140,000                  | 609,567            | 1.53%~5.87%                            | Note 8            |
| Far Eastern<br>International Bank                            | 333,992                               | 333,992                | USD 19,000                   | 122,681            | 4.9%~6.2%                              | Note 9            |
|                                                              |                                       |                        | \$ 400,000                   |                    |                                        |                   |
| Chang Hwa Bank                                               | 1,084,361                             | 1,084,361              | USD 85,000                   | 965,772            | 3.17%~5.71%                            | Note 10           |
| DBS Bank                                                     | 8,024,964                             | 8,024,964              | USD 618,000                  | 5,182,014          | 2.13%~5.73%                            | Note 11           |
| Taiwan Cooperative<br>Bank                                   | 54,827                                | 54,827                 | USD 2,500                    | -                  | -                                      | Note 12           |
|                                                              |                                       |                        | \$ 10,000                    |                    |                                        |                   |
| Hang Seng Bank                                               | 11,942,053                            | 11,942,053             | USD 476,280                  | 11,756,996         | 3.32%~4.94%                            | None              |
| KGI Bank                                                     | 690,530                               | 690,530                | USD 76,000                   | 113                | 4.25%                                  | Note 13           |
|                                                              |                                       |                        | \$ 750,000                   |                    |                                        |                   |
| Bank of Taiwan                                               | 108,525                               | 108,525                | USD 20,000                   | 108,525            | 4.65%~6.08%                            | Note 14           |
| Mizuho Bank                                                  | 1,916,481                             | 1,916,481              | USD 135,000                  | 1,916,481          | 4.18%~5.43%                            | Note 15           |

Note 1: The Group has signed commercial papers amounting to USD 125,500 thousand and \$690,000 that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 49,370 thousand that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 275,000 thousand and \$20,000 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 3,000 thousand that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to USD 29,000 thousand that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 349,610 thousand that were pledged to others as collateral.

- Note 7: The Group has signed commercial papers amounting to USD 2,100 thousand and \$11,300,000 that were pledged to others as collateral.
- Note 8: The Group has signed commercial papers amounting to USD 110,000 thousand that were pledged to others as collateral.
- Note 9: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.
- Note 10: The Group has signed commercial papers amounting to USD 85,000 thousand that were pledged to others as collateral.
- Note 11: The Group has signed commercial papers amounting to USD 402,600 thousand that were pledged to others as collateral.
- Note 12: The Group has signed commercial papers amounting to USD 2,500 thousand and \$10,000 that were pledged to others as collateral.
- Note 13: The Group has signed commercial papers amounting to USD 7,600 thousand and \$750,000 that were pledged to others as collateral.
- Note 14: The Group has signed commercial papers amounting to USD 20,000 thousand that were pledged to others as collateral.
- Note 15: The Group has signed commercial papers amounting to USD 135,000 thousand that were pledged to others as collateral.

| December 31, 2021                                            |                                       |                        |                              |                    |                                        |                   |
|--------------------------------------------------------------|---------------------------------------|------------------------|------------------------------|--------------------|----------------------------------------|-------------------|
| Purchaser of<br>accounts receivable                          | Accounts<br>receivable<br>transferred | Amount<br>derecognized | Facilities<br>(In thousands) | Amount<br>advanced | Interest rate<br>of amount<br>advanced | Pledged<br>assets |
| Cathay United Bank                                           | \$ 417,195                            | \$ 417,195             | USD 50,000                   | \$ 417,195         | 0.61%~0.77%                            | Note 1            |
| Mega International<br>Commercial Bank                        | 2,806,605                             | 2,806,605              | USD 145,000                  | 2,497,796          | 0.85%~1.45%                            | Note 2            |
| CTBC Bank                                                    | 5,497,258                             | 5,497,258              | \$ 510,000                   |                    |                                        |                   |
|                                                              |                                       |                        | USD 343,900                  | 5,271,536          | 0.58%~0.96%                            | Note 3            |
|                                                              |                                       |                        | \$ 162,000                   |                    |                                        |                   |
| E. SUN Commercial<br>Bank                                    | 4,193,854                             | 4,193,854              | USD 264,700                  | 3,945,260          | 0.7%~1.16%                             | Note 4            |
|                                                              |                                       |                        | \$ 20,000                    |                    |                                        |                   |
| Taipei Fubon<br>Commercial Bank                              | 1,037,733                             | 1,037,733              | USD 27,000                   | 1,035,454          | 0.7%~0.95%                             | Note 5            |
|                                                              |                                       |                        | \$ 1,104,300                 |                    |                                        |                   |
| Yuanta Commercial<br>Bank                                    | 659,736                               | 659,736                | USD 32,500                   | 399,850            | 0.93%~1.16%                            | Note 6            |
| The Hong Kong and<br>Shanghai Banking<br>Corporation Limited | 8,840,353                             | 8,840,353              | USD 366,900                  | 8,823,509          | 0.63%~0.92%                            | Note 7            |
| Standard Chartered<br>Bank                                   | 32,010                                | 32,010                 | USD 3,000                    | -                  | -                                      | None              |
| Taishin International<br>Bank                                | 6,316,230                             | 6,316,230              | USD 15,000                   | 5,026,763          | 0.67%~1.1%                             | Note 8            |
|                                                              |                                       |                        | \$ 11,300,000                |                    |                                        |                   |
| Bank SinoPac                                                 | 2,184,179                             | 2,184,179              | USD 115,000                  | 2,005,080          | 0.65%~0.95%                            | Note 9            |
| Far Eastern<br>International Bank                            | 180,757                               | 180,757                | USD 19,000                   | 120,073            | 0.95%~1.19%                            | Note 10           |
|                                                              |                                       |                        | \$ 400,000                   |                    |                                        |                   |

December 31, 2021

| Purchaser of<br>accounts receivable | Accounts<br>receivable<br>transferred | Amount<br>derecognized | Facilities<br>(In thousands) | Amount<br>advanced | Interest rate<br>of amount<br>advanced | Pledged<br>assets |
|-------------------------------------|---------------------------------------|------------------------|------------------------------|--------------------|----------------------------------------|-------------------|
| Chang Hwa Bank                      | \$ 171,300                            | \$ 171,300             | USD 20,000                   | \$ 171,300         | 0.78%~0.8%                             | Note 11           |
| DBS Bank                            | 5,967,175                             | 5,967,175              | USD 284,000                  | 5,967,175          | 0.61%~0.99%                            | Note 12           |
| Taiwan Cooperative<br>Bank          | 73,376                                | 73,376                 | USD 3,000                    | 50,184             | 0.9%~0.93%                             | Note 13           |
|                                     |                                       |                        | \$ 15,000                    |                    |                                        |                   |
| Hang Seng Bank                      | 10,765,283                            | 10,765,283             | USD 442,000                  | 10,639,525         | 1.03%~1.3%                             | None              |
| KGI Bank                            | 754,862                               | 754,862                | USD 64,000                   | 595,236            | 0.8%~0.95%                             | Note 14           |
|                                     |                                       |                        | \$ 950,000                   |                    |                                        |                   |
| Bank of Taiwan                      | 270,473                               | 270,473                | USD 17,000                   | 270,473            | 0.71%~0.93%                            | Note 15           |
| Mizuho Bank                         | 1,173,356                             | 1,173,356              | USD 100,000                  | 1,173,356          | 0.88%                                  | Note 16           |
| BNP Paribas                         | 746,181                               | 746,181                | USD 30,000                   | 746,181            | 1.26%~1.33%                            | None              |

Note 1: The Group has signed commercial papers amounting to USD 50,000 thousand that were pledged to others as collateral.

Note 2: The Group has signed commercial papers amounting to USD 145,000 thousand and \$510,000 that were pledged to others as collateral.

Note 3: The Group has signed commercial papers amounting to USD 34,640 thousand and \$16,200 that were pledged to others as collateral.

Note 4: The Group has signed commercial papers amounting to USD 264,700 thousand and \$20,000 that were pledged to others as collateral.

Note 5: The Group has signed commercial papers amounting to \$37,000 that were pledged to others as collateral.

Note 6: The Group has signed commercial papers amounting to USD 32,500 thousand that were pledged to others as collateral.

Note 7: The Group has signed commercial papers amounting to USD 349,610 thousand that were pledged to others as collateral.

Note 8: The Group has signed commercial papers amounting to USD 1,500 thousand and \$11,120,000 that were pledged to others as collateral.

Note 9: The Group has signed commercial papers amounting to USD 100,000 thousand that were pledged to others as collateral.

Note 10: The Group has signed commercial papers amounting to USD 19,000 thousand and \$400,000 that were pledged to others as collateral.

Note 11: The Group has signed commercial papers amounting to USD 20,000 thousand that were pledged to others as collateral.

Note 12: The Group has signed commercial papers amounting to USD 220,000 thousand that were pledged to others as collateral.

Note 13: The Group has signed commercial papers amounting to USD 3,000 thousand and \$15,000 that were pledged to others as collateral.



Note 14: The Group has signed commercial papers amounting to USD 10,000 thousand and \$770,000 that were pledged to others as collateral.

Note 15: The Group has signed commercial papers amounting to USD 17,000 thousand that were pledged to others as collateral.

Note 16: The Group has signed commercial papers amounting to USD 100,000 thousand that were pledged to others as collateral.

(7) Other receivables

|                                                   | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|---------------------------------------------------|--------------------------|--------------------------|
| Retention amount of factoring accounts receivable | \$ 12,583,290            | \$ 2,931,970             |
| VAT refund                                        | 567,282                  | 550,471                  |
| Others                                            | <u>6,816,617</u>         | <u>3,691,840</u>         |
|                                                   | <u>\$ 19,967,189</u>     | <u>\$ 7,174,281</u>      |

(8) Inventories

|                        | <u>December 31, 2022</u> |                                    |                       |
|------------------------|--------------------------|------------------------------------|-----------------------|
|                        | <u>Cost</u>              | <u>Allowance<br/>for valuation</u> | <u>Book value</u>     |
| Inventories            | \$ 108,191,637           | (\$ 2,304,180)                     | \$ 105,887,457        |
| Inventories in transit | <u>5,849,634</u>         | <u>-</u>                           | <u>5,849,634</u>      |
|                        | <u>\$ 114,041,271</u>    | <u>(\$ 2,304,180)</u>              | <u>\$ 111,737,091</u> |
|                        | <u>December 31, 2021</u> |                                    |                       |
|                        | <u>Cost</u>              | <u>Allowance<br/>for valuation</u> | <u>Book value</u>     |
| Inventories            | \$ 80,444,435            | (\$ 1,408,333)                     | \$ 79,036,102         |
| Inventories in transit | <u>7,178,604</u>         | <u>-</u>                           | <u>7,178,604</u>      |
|                        | <u>\$ 87,623,039</u>     | <u>(\$ 1,408,333)</u>              | <u>\$ 86,214,706</u>  |

The cost of inventories recognized as expense for the year:

|                                    | <u>Years ended December 31,</u> |                       |
|------------------------------------|---------------------------------|-----------------------|
|                                    | <u>2022</u>                     | <u>2021</u>           |
| Cost of goods sold                 | \$ 744,627,103                  | \$ 748,689,208        |
| Loss on price decline in inventory | 1,012,993                       | 183,072               |
| Loss (gain) on physical inventory  | <u>3,925</u>                    | <u>(328)</u>          |
| Cost of goods sold                 | <u>\$ 745,644,021</u>           | <u>\$ 748,871,952</u> |

(9) Investments accounted for using equity method

A. Details of investments accounted for using the equity method:

| <u>Investee company</u>                         | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-------------------------------------------------|--------------------------|--------------------------|
| WT Microelectronics Co., Ltd. (WT)              | \$ 11,952,982            | \$ 12,856,281            |
| ChainPower Technology Corp.<br>(ChainPower)     | 199,293                  | 177,208                  |
| Sunrise Technology Co., Ltd.                    | 46,009                   | 45,766                   |
| Eesource Corp. (Eesource)                       | 68,770                   | 74,921                   |
| Suzhou Xinning Bonded Warehouse Co.,<br>Ltd.    | 69,957                   | 67,392                   |
| Adivic Technology Co., Ltd.                     | 17,640                   | 27,131                   |
| Suzhou Xinning Logistics Co., Ltd.              | 48,473                   | 46,012                   |
| Gain Tune Logistics (Shanghai) Co., Ltd.        | 36,500                   | 27,828                   |
| VITEC WPG Limited                               | 86,180                   | 46,690                   |
| AutoSys Co., Ltd.                               | 64,902                   | 69,019                   |
| Beauteek Global Wellness Corporation<br>Limited | 18,031                   | 5,288                    |
| Supply Consultants Limited                      | 9,161                    | 9,788                    |
|                                                 | <u>\$ 12,617,898</u>     | <u>\$ 13,453,324</u>     |

B. The basic information on the associate that is material to the Group is as follows:

| <u>Company<br/>name</u> | <u>Principal<br/>place<br/>of business</u> | <u>Shareholding ratio</u>    |                              | <u>Nature of<br/>relationship</u>               | <u>Method of<br/>measurement</u> |
|-------------------------|--------------------------------------------|------------------------------|------------------------------|-------------------------------------------------|----------------------------------|
|                         |                                            | <u>December 31,<br/>2022</u> | <u>December 31,<br/>2021</u> |                                                 |                                  |
| WT                      | Taiwan                                     | 20.05%                       | 22.06%                       | Holding at least<br>20% of the voting<br>rights | Equity method                    |

The summarized financial information of the associate that is material to the Group is as follows:

Balance sheet

|                                                                      | <u>WT</u>                |                          |
|----------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                      | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
| Current assets                                                       | \$ 183,649,584           | \$ 149,136,255           |
| Non-current assets                                                   | 15,994,600               | 23,847,346               |
| Current liabilities                                                  | ( 124,816,197)           | ( 110,582,313)           |
| Non-current liabilities                                              | ( 20,411,652)            | ( 8,906,666)             |
| Total net assets                                                     | <u>\$ 54,416,335</u>     | <u>\$ 53,494,622</u>     |
| Adjustments on fair value of other<br>intangible and tangible assets | 125,590                  | 91,009                   |
| Total net assets after adjustments                                   | <u>\$ 54,541,925</u>     | <u>\$ 53,585,631</u>     |
| Share in associate's net assets                                      | \$ 10,865,811            | \$ 11,769,110            |
| Goodwill (Note)                                                      | 1,087,171                | 1,087,171                |
| Carrying amount of the associate                                     | <u>\$ 11,952,982</u>     | <u>\$ 12,856,281</u>     |

Note: In February 2020, the Group held 29.9% equity interest in WT. However, WT increased its capital by issuing new shares in order to exchange shares with ASMedia Technology Inc., and the effective date for this share exchange was set on April 21, 2020, and the convertible bonds WT issued were converted to common stock. As the Group did not subscribe to the capital increase proportionately to its equity interest and WT issued employees' stock option certificate and purchased treasury shares, the Group's shareholding ratio of WT decreased to 20.05%, and its capital reserve decreased by \$91,345. The Group obtained purchase price allocation report issued by dependent appraisals firm for goodwill which arose from acquiring the Company's equity interests.

Statement of comprehensive income

|                                                | WT                       |                |
|------------------------------------------------|--------------------------|----------------|
|                                                | Years ended December 31, |                |
|                                                | 2022                     | 2021           |
| Revenue                                        | \$ 571,197,118           | \$ 447,896,117 |
| Profit for the year from continuing operations | \$ 7,408,064             | \$ 7,662,868   |
| Other comprehensive (loss) income, net of tax  | ( 7,069,962)             | 2,139,842      |
| Total comprehensive income for the year        | \$ 338,102               | \$ 9,802,710   |
| Dividends received from associates             | \$ 888,183               | \$ 567,230     |

- 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:

As of December 31, 2022 and 2021, the carrying amount of the Group's individually immaterial associates amounted to \$664,916 and \$597,043, respectively.

|                                                | Years ended December 31, |           |
|------------------------------------------------|--------------------------|-----------|
|                                                | 2022                     | 2021      |
| Profit for the year from continuing operations | \$ 73,701                | \$ 82,906 |
| Other comprehensive income (loss) - net of tax | 35,670                   | ( 9,441)  |
| Total comprehensive income                     | \$ 109,371               | \$ 73,465 |

- D. The fair value of the Group's material associates with quoted market prices is as follows:

|                               | December 31, 2022 | December 31, 2021 |
|-------------------------------|-------------------|-------------------|
| WT Microelectronics Co., Ltd. | \$ 10,821,421     | \$ 13,017,585     |

- E. There was no impairment on investments accounted for using equity method as of December 31, 2022 and 2021.

- F. The Group is the single largest shareholder of WT with a 20.05% equity interest. Given the participation extent of other shareholders in the shareholders' meeting and record of voting rights for major proposals, which indicate that the Group has no current ability to direct the relevant activities of WT, the Group has no control, but only has significant influence, over the investee.
- G. The Group is the single largest shareholder of ChainPower with a 39% equity interest. Given that a 40.49% equity interest in ChainPower is concentrated on other investors and a group vote of minority voting rights hold more shares than the Group, which indicate that the Group has no current ability to direct the relevant activities of ChainPower, the Group has no control, but only has significant influence, over the investee.
- H. The Group is the single largest shareholder of Eesource with a 40% equity interest. Given that a 43% equity interest in Eesource is concentrated on other investors and a group vote of minority voting rights hold more shares than the Group, which indicate that the Group has no current ability to direct the relevant activities of Eesource, the Group has no control, but only has significant influence, over the investee.

(10) Property, plant and equipment

|                                                    | <u>Land</u>         | <u>Buildings<br/>and<br/>structures</u> | <u>Transportation<br/>equipment</u> | <u>Office<br/>equipment</u> | <u>Leasehold<br/>improvements</u> | <u>Others</u>       | <u>Construction in<br/>progress and<br/>equipment to<br/>be tested</u> | <u>Total</u>        |
|----------------------------------------------------|---------------------|-----------------------------------------|-------------------------------------|-----------------------------|-----------------------------------|---------------------|------------------------------------------------------------------------|---------------------|
| <u>Cost</u>                                        |                     |                                         |                                     |                             |                                   |                     |                                                                        |                     |
| At January 1, 2022                                 | \$ 6,886,813        | \$4,015,647                             | \$ 14,997                           | \$ 576,415                  | \$ 748,915                        | \$ 731,604          | \$ 770,274                                                             | \$13,744,665        |
| Additions                                          | 33,545              | 41,021                                  | 2,667                               | 34,454                      | 63,678                            | 104,188             | 158,626                                                                | 438,179             |
| Disposals                                          | -                   | -                                       | ( 1,542)                            | ( 19,828)                   | ( 9,655)                          | ( 9,739)            | -                                                                      | ( 40,764)           |
| Transfers (Note)                                   | -                   | 76,838                                  | -                                   | 6,399                       | 6,942                             | 857,343             | ( 942,018)                                                             | 5,504               |
| Effect due to changes in<br>exchange rates         | <u>272</u>          | <u>16,392</u>                           | <u>652</u>                          | <u>12,752</u>               | <u>32,939</u>                     | <u>30,270</u>       | <u>13,118</u>                                                          | <u>106,395</u>      |
| At December 31, 2022                               | <u>\$ 6,920,630</u> | <u>\$4,149,898</u>                      | <u>\$ 16,774</u>                    | <u>\$ 610,192</u>           | <u>\$ 842,819</u>                 | <u>\$ 1,713,666</u> | <u>\$ -</u>                                                            | <u>\$14,253,979</u> |
| <u>Accumulated depreciation and impairment</u>     |                     |                                         |                                     |                             |                                   |                     |                                                                        |                     |
| At January 1, 2022                                 | \$ 1,582            | \$ 614,642                              | \$ 12,516                           | \$ 372,188                  | \$ 548,644                        | \$ 283,378          | \$ -                                                                   | \$ 1,832,950        |
| Depreciation charge                                | -                   | 159,247                                 | 1,054                               | 68,407                      | 49,005                            | 145,328             | -                                                                      | 423,041             |
| Disposals                                          | -                   | -                                       | ( 1,465)                            | ( 19,693)                   | ( 4,551)                          | ( 8,383)            | -                                                                      | ( 34,092)           |
| Effect due to changes in<br>exchange rates         | <u>-</u>            | <u>7,497</u>                            | <u>648</u>                          | <u>10,400</u>               | <u>30,480</u>                     | <u>12,180</u>       | <u>-</u>                                                               | <u>61,205</u>       |
| At December 31, 2022                               | <u>\$ 1,582</u>     | <u>\$ 781,386</u>                       | <u>\$ 12,753</u>                    | <u>\$ 431,302</u>           | <u>\$ 623,578</u>                 | <u>\$ 432,503</u>   | <u>\$ -</u>                                                            | <u>\$ 2,283,104</u> |
| Closing net book amount as<br>at December 31, 2022 | <u>\$ 6,919,048</u> | <u>\$3,368,512</u>                      | <u>\$ 4,021</u>                     | <u>\$ 178,890</u>           | <u>\$ 219,241</u>                 | <u>\$ 1,281,163</u> | <u>\$ -</u>                                                            | <u>\$11,970,875</u> |

Note: Inventories amounting to \$5,504 were transferred to property, plant and equipment.

|                                                    | <u>Land</u>         | <u>Buildings<br/>and<br/>structures</u> | <u>Transportation<br/>equipment</u> | <u>Office<br/>equipment</u> | <u>Leasehold<br/>improvements</u> | <u>Others</u>     | <u>Construction in<br/>progress and<br/>equipment to<br/>be tested</u> | <u>Total</u>        |
|----------------------------------------------------|---------------------|-----------------------------------------|-------------------------------------|-----------------------------|-----------------------------------|-------------------|------------------------------------------------------------------------|---------------------|
| <u>Cost</u>                                        |                     |                                         |                                     |                             |                                   |                   |                                                                        |                     |
| At January 1, 2021                                 | \$ 6,312,332        | \$4,186,844                             | \$ 15,181                           | \$ 564,936                  | \$ 603,531                        | \$ 476,069        | \$ 3,813                                                               | \$12,162,706        |
| Additions                                          | 796,191             | 112,462                                 | -                                   | 77,676                      | 157,495                           | 260,517           | 765,856                                                                | 2,170,197           |
| Disposals                                          | -                   | ( 1,109)                                | -                                   | ( 36,315)                   | ( 1,739)                          | ( 4,673)          | -                                                                      | ( 43,836)           |
| Transfer (Note)                                    | ( 210,082)          | ( 252,739)                              | -                                   | ( 23,946)                   | -                                 | 7,723             | -                                                                      | ( 479,044)          |
| Effect due to changes in<br>exchange rates         | ( 11,628)           | ( 29,811)                               | ( 184)                              | ( 5,936)                    | ( 10,372)                         | ( 8,032)          | 605                                                                    | ( 65,358)           |
| At December 31, 2021                               | <u>\$ 6,886,813</u> | <u>\$4,015,647</u>                      | <u>\$ 14,997</u>                    | <u>\$ 576,415</u>           | <u>\$ 748,915</u>                 | <u>\$ 731,604</u> | <u>\$ 770,274</u>                                                      | <u>\$13,744,665</u> |
| <u>Accumulated depreciation and impairment</u>     |                     |                                         |                                     |                             |                                   |                   |                                                                        |                     |
| At January 1, 2021                                 | \$ 1,582            | \$ 554,862                              | \$ 11,853                           | \$ 358,147                  | \$ 449,449                        | \$ 226,280        | \$ -                                                                   | \$ 1,602,173        |
| Depreciation charge                                | -                   | 153,875                                 | 843                                 | 61,915                      | 109,254                           | 58,538            | -                                                                      | 384,425             |
| Disposals                                          | -                   | ( 1,041)                                | -                                   | ( 34,630)                   | ( 1,739)                          | ( 4,090)          | -                                                                      | ( 41,500)           |
| Transfer (Note)                                    | -                   | ( 83,746)                               | -                                   | ( 8,273)                    | -                                 | 5,528             | -                                                                      | ( 86,491)           |
| Effect due to changes in<br>exchange rates         | -                   | ( 9,308)                                | ( 180)                              | ( 4,971)                    | ( 8,320)                          | ( 2,878)          | -                                                                      | ( 25,657)           |
| At December 31, 2021                               | <u>\$ 1,582</u>     | <u>\$ 614,642</u>                       | <u>\$ 12,516</u>                    | <u>\$ 372,188</u>           | <u>\$ 548,644</u>                 | <u>\$ 283,378</u> | <u>\$ -</u>                                                            | <u>\$ 1,832,950</u> |
| Closing net book amount as<br>at December 31, 2021 | <u>\$ 6,885,231</u> | <u>\$3,401,005</u>                      | <u>\$ 2,481</u>                     | <u>\$ 204,227</u>           | <u>\$ 200,271</u>                 | <u>\$ 448,226</u> | <u>\$ 770,274</u>                                                      | <u>\$11,911,715</u> |

Note: Property, plant and equipment amounting to \$315,516, \$65,077, \$1,176 and \$11,648 were transferred to non-current assets classified as held for sale, investment property, intangible assets and prepayments, respectively. Inventories amounting to \$864 were transferred to property, plant and equipment.

- A. Amount of borrowing costs capitalized as part of property, plant and equipment and the range of the interest rates for such capitalization are as follows:

|                                                | Years ended December 31, |       |
|------------------------------------------------|--------------------------|-------|
|                                                | 2022                     | 2021  |
| Amount capitalized                             | \$ 439                   | \$ 20 |
| Range of the interest rates for capitalization | 0.94%~1.05%              | 0.94% |

- B. Information on property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(11) Leasing arrangements-lessee

- A. The Group leases various assets including buildings, business vehicles and multifunction printers. Rental contracts are made for periods of 1 to 25 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

- B. The carrying amounts of right-of-use assets are as follows:

|                                                    | Buildings and<br>structures | Transportation<br>equipment<br>(Business vehicles) | Office<br>equipment<br>(Photocopiers) | Other<br>equipment | Total              |
|----------------------------------------------------|-----------------------------|----------------------------------------------------|---------------------------------------|--------------------|--------------------|
| <u>Cost</u>                                        |                             |                                                    |                                       |                    |                    |
| At January 1, 2022                                 | \$ 2,087,839                | \$ 111,396                                         | \$ 86,928                             | \$ 160,810         | \$2,446,973        |
| Additions                                          | 1,547,405                   | 56,073                                             | 18,415                                | 9,320              | 1,631,213          |
| Disposals                                          | ( 635,215)                  | ( 60,002)                                          | ( 25,758)                             | ( 18,773)          | ( 739,748)         |
| Effect due to changes in<br>exchange rates         | 115,010                     | 9,475                                              | 1,080                                 | 2,310              | 127,875            |
| At December 31, 2022                               | <u>\$ 3,115,039</u>         | <u>\$ 116,942</u>                                  | <u>\$ 80,665</u>                      | <u>\$ 153,667</u>  | <u>\$3,466,313</u> |
| <u>Accumulated depreciation</u>                    |                             |                                                    |                                       |                    |                    |
| At January 1, 2022                                 | \$ 800,888                  | \$ 54,474                                          | \$ 26,322                             | \$ 21,000          | \$ 902,684         |
| Depreciation charge                                | 396,040                     | 46,675                                             | 9,224                                 | 25,971             | 477,910            |
| Disposals                                          | ( 562,191)                  | ( 57,286)                                          | ( 25,457)                             | ( 6,393)           | ( 651,327)         |
| Effect due to changes in<br>exchange rates         | 45,924                      | 3,516                                              | 720                                   | 281                | 50,441             |
| At December 31, 2022                               | <u>\$ 680,661</u>           | <u>\$ 47,379</u>                                   | <u>\$ 10,809</u>                      | <u>\$ 40,859</u>   | <u>\$ 779,708</u>  |
| Closing net book amount<br>as at December 31, 2022 | <u>\$ 2,434,378</u>         | <u>\$ 69,563</u>                                   | <u>\$ 69,856</u>                      | <u>\$ 112,808</u>  | <u>\$2,686,605</u> |

|                                                    | Buildings and<br>structures | Transportation<br>equipment<br>(Business vehicles) | Office<br>equipment<br>(Photocopiers) | Other<br>equipment | Total              |
|----------------------------------------------------|-----------------------------|----------------------------------------------------|---------------------------------------|--------------------|--------------------|
| <u>Cost</u>                                        |                             |                                                    |                                       |                    |                    |
| At January 1, 2021                                 | \$ 2,284,734                | \$ 85,258                                          | \$ 26,925                             | \$ 26,967          | \$2,423,884        |
| Additions                                          | 978,643                     | 67,637                                             | 62,343                                | 142,151            | 1,250,774          |
| Disposals                                          | ( 1,143,496)                | ( 39,358)                                          | ( 2,071)                              | ( 8,301)           | ( 1,193,226)       |
| Effect due to changes in<br>exchange rates         | ( 32,042)                   | ( 2,141)                                           | ( 269)                                | ( 7)               | ( 34,459)          |
| At December 31, 2021                               | <u>\$ 2,087,839</u>         | <u>\$ 111,396</u>                                  | <u>\$ 86,928</u>                      | <u>\$ 160,810</u>  | <u>\$2,446,973</u> |
| <u>Accumulated depreciation</u>                    |                             |                                                    |                                       |                    |                    |
| At January 1, 2021                                 | \$ 721,155                  | \$ 46,310                                          | \$ 16,767                             | \$ 8,958           | \$ 793,190         |
| Depreciation charge                                | 403,972                     | 47,619                                             | 11,636                                | 20,422             | 483,649            |
| Disposals                                          | ( 309,771)                  | ( 38,686)                                          | ( 1,889)                              | ( 8,301)           | ( 358,647)         |
| Effect due to changes in<br>exchange rates         | ( 14,468)                   | ( 769)                                             | ( 192)                                | ( 79)              | ( 15,508)          |
| At December 31, 2021                               | <u>\$ 800,888</u>           | <u>\$ 54,474</u>                                   | <u>\$ 26,322</u>                      | <u>\$ 21,000</u>   | <u>\$ 902,684</u>  |
| Closing net book amount<br>as at December 31, 2021 | <u>\$ 1,286,951</u>         | <u>\$ 56,922</u>                                   | <u>\$ 60,606</u>                      | <u>\$ 139,810</u>  | <u>\$1,544,289</u> |

C. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were \$1,631,213 and \$1,250,774, respectively.

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

|                                       | <u>Years ended December 31,</u> |             |
|---------------------------------------|---------------------------------|-------------|
|                                       | <u>2022</u>                     | <u>2021</u> |
| <u>Items affecting profit or loss</u> |                                 |             |
| Interest expense on lease liabilities | \$ 61,841                       | \$ 62,087   |
| Expense on short-term lease contracts | 16,061                          | 20,447      |
| Expense on leases of low-value assets | 12,380                          | 8,409       |

E. For the years ended December 31, 2022 and 2021, the Group's total cash outflow for leases were \$525,834 and \$541,062, respectively.



(12) Investment property

|                                                    | <u>Land</u>       | <u>Buildings and<br/>structures</u> | <u>Total</u>        |
|----------------------------------------------------|-------------------|-------------------------------------|---------------------|
| <u>Cost</u>                                        |                   |                                     |                     |
| At January 1, 2022                                 | \$ 609,427        | \$ 1,425,918                        | \$ 2,035,345        |
| Additions                                          | -                 | 8,898                               | 8,898               |
| Effect due to changes in<br>exchange rates         | -                 | 13,243                              | 13,243              |
| At December 31, 2022                               | <u>\$ 609,427</u> | <u>\$ 1,448,059</u>                 | <u>\$ 2,057,486</u> |
| <u>Accumulated depreciation</u>                    |                   |                                     |                     |
| At January 1, 2022                                 | \$ -              | \$ 455,401                          | \$ 455,401          |
| Depreciation charge                                | -                 | 32,285                              | 32,285              |
| Effect due to changes in<br>exchange rates         | -                 | 3,125                               | 3,125               |
| At December 31, 2022                               | <u>\$ -</u>       | <u>\$ 490,811</u>                   | <u>\$ 490,811</u>   |
| Closing net book amount as at<br>December 31, 2022 | <u>\$ 609,427</u> | <u>\$ 957,248</u>                   | <u>\$ 1,566,675</u> |

|                                                    | <u>Land</u>       | <u>Buildings and<br/>structures</u> | <u>Total</u>        |
|----------------------------------------------------|-------------------|-------------------------------------|---------------------|
| <u>Cost</u>                                        |                   |                                     |                     |
| At January 1, 2021                                 | \$ 626,460        | \$ 1,362,257                        | \$ 1,988,717        |
| Transfer (Note)                                    | ( 17,033)         | 70,047                              | 53,014              |
| Effect due to changes in<br>exchange rates         | -                 | ( 6,386)                            | ( 6,386)            |
| At December 31, 2021                               | <u>\$ 609,427</u> | <u>\$ 1,425,918</u>                 | <u>\$ 2,035,345</u> |
| <u>Accumulated depreciation</u>                    |                   |                                     |                     |
| At January 1, 2021                                 | \$ -              | \$ 414,978                          | \$ 414,978          |
| Depreciation charge                                | -                 | 31,290                              | 31,290              |
| Transfer (Note)                                    | -                 | 10,521                              | 10,521              |
| Effect due to changes in<br>exchange rates         | -                 | ( 1,388)                            | ( 1,388)            |
| At December 31, 2021                               | <u>\$ -</u>       | <u>\$ 455,401</u>                   | <u>\$ 455,401</u>   |
| Closing net book amount as at<br>December 31, 2021 | <u>\$ 609,427</u> | <u>\$ 970,517</u>                   | <u>\$ 1,579,944</u> |

Note: Investment properties amounting to \$22,584 were transferred to non-current assets classified as held for sale, while certain property, plant and equipment amounting to \$65,077 were transferred to investment property.

- A. Rental income from investment property and direct operating expenses arising from the investment property are shown below:

|                                                                                                                    | Years ended December 31, |           |
|--------------------------------------------------------------------------------------------------------------------|--------------------------|-----------|
|                                                                                                                    | 2022                     | 2021      |
| Rental revenue from investment property                                                                            | \$ 75,556                | \$ 51,890 |
| Direct operating expenses arising from the investment property that generated rental income during the year        | \$ 25,635                | \$ 21,337 |
| Direct operating expenses arising from the investment property that did not generate rental income during the year | \$ 9,999                 | \$ 14,068 |

- B. The fair value of the investment property held by the Group as of December 31, 2022 and 2021 was \$3,354,387 and \$3,104,450, respectively. The fair value as of December 31, 2022 and 2021 was based on independent appraisers' valuation, which was made using comparative method, weighted income approach and cost method. Comparison method is to compare the valuation target with similar property which is traded around the valuation period. Comparison method is categorized within Level 3 in the fair value hierarchy. Cost method is to calculate the fair value based on the price standard of Bulletin No. 4 issued by the National Federation of Real Estate Appraisers of the Republic of China. Valuations were made using the income approach with key assumptions as follows:

|                     | December 31, 2022 | December 31, 2021 |
|---------------------|-------------------|-------------------|
| Discount rate       | 2.28%~7.5%        | 2%~7.5%           |
| Growth rate         | 1%~5%             | 1%~5%             |
| Gross margin        | 1.84%~2.59%       | 1.19%~3.17%       |
| Capitalization rate | -                 | 1.22%             |

- C. There is no impairment loss on investment property.
- D. For investment property pledged for guarantee, refer to Note 8.

(13) Intangible assets

|                                                 | <u>Operating right</u> | <u>Software</u>   | <u>Goodwill</u>     | <u>Others</u>    | <u>Total</u>       |
|-------------------------------------------------|------------------------|-------------------|---------------------|------------------|--------------------|
| <u>Cost</u>                                     |                        |                   |                     |                  |                    |
| At January 1, 2022                              | \$ 266,560             | \$ 433,754        | \$ 5,552,585        | \$ 59,810        | \$6,312,709        |
| Acquired separately                             | -                      | 89,755            | -                   | -                | 89,755             |
| Disposals                                       | ( 15,714)              | ( 28,401)         | -                   | ( 36,167)        | ( 80,282)          |
| Effect due to changes in exchange rates         | <u>27,628</u>          | <u>3,087</u>      | <u>23,624</u>       | <u>2,628</u>     | <u>56,967</u>      |
| At December 31, 2022                            | <u>\$ 278,474</u>      | <u>\$ 498,195</u> | <u>\$ 5,576,209</u> | <u>\$ 26,271</u> | <u>\$6,379,149</u> |
| <u>Accumulated amortization and impairment</u>  |                        |                   |                     |                  |                    |
| At January 1, 2022                              | \$ 266,560             | \$ 334,594        | \$ 452,859          | \$ 38,049        | \$1,092,062        |
| Amortization charge                             | -                      | 89,646            | -                   | -                | 89,646             |
| Impairment loss                                 | -                      | -                 | 54,263              | -                | 54,263             |
| Disposals                                       | ( 15,714)              | ( 28,401)         | -                   | ( 36,167)        | ( 80,282)          |
| Effect due to changes in exchange rates         | <u>27,628</u>          | <u>2,333</u>      | <u>10,301</u>       | <u>2,628</u>     | <u>42,890</u>      |
| At December 31, 2022                            | <u>\$ 278,474</u>      | <u>\$ 398,172</u> | <u>\$ 517,423</u>   | <u>\$ 4,510</u>  | <u>\$1,198,579</u> |
| Closing net book amount as at December 31, 2022 | <u>\$ -</u>            | <u>\$ 100,023</u> | <u>\$ 5,058,786</u> | <u>\$ 21,761</u> | <u>\$5,180,570</u> |
|                                                 | <u>Operating right</u> | <u>Software</u>   | <u>Goodwill</u>     | <u>Others</u>    | <u>Total</u>       |
| <u>Cost</u>                                     |                        |                   |                     |                  |                    |
| At January 1, 2021                              | \$ 273,855             | \$ 397,472        | \$ 5,590,438        | \$ 39,018        | \$6,300,783        |
| Acquired separately                             | -                      | 43,095            | -                   | 21,761           | 64,856             |
| Disposals                                       | -                      | ( 6,677)          | ( 31,081)           | -                | ( 37,758)          |
| Transfers (Note)                                | -                      | 1,176             | -                   | -                | 1,176              |
| Effect due to changes in exchange rates         | ( <u>7,295</u> )       | ( <u>1,312</u> )  | ( <u>6,772</u> )    | ( <u>969</u> )   | ( <u>16,348</u> )  |
| At December 31, 2021                            | <u>\$ 266,560</u>      | <u>\$ 433,754</u> | <u>\$ 5,552,585</u> | <u>\$ 59,810</u> | <u>\$6,312,709</u> |
| <u>Accumulated amortization and impairment</u>  |                        |                   |                     |                  |                    |
| At January 1, 2021                              | \$ 273,855             | \$ 262,180        | \$ 63,897           | \$ 39,018        | \$ 638,950         |
| Amortization charge                             | -                      | 73,717            | -                   | -                | 73,717             |
| Impairment loss                                 | -                      | -                 | 422,041             | -                | 422,041            |
| Disposals                                       | -                      | ( 315)            | ( 31,081)           | -                | ( 31,396)          |
| Effect due to changes in exchange rates         | ( <u>7,295</u> )       | ( <u>988</u> )    | ( <u>1,998</u> )    | ( <u>969</u> )   | ( <u>11,250</u> )  |
| At December 31, 2021                            | <u>\$ 266,560</u>      | <u>\$ 334,594</u> | <u>\$ 452,859</u>   | <u>\$ 38,049</u> | <u>\$1,092,062</u> |
| Closing net book amount as at December 31, 2021 | <u>\$ -</u>            | <u>\$ 99,160</u>  | <u>\$ 5,099,726</u> | <u>\$ 21,761</u> | <u>\$5,220,647</u> |

Note: Property, plant and equipment amounting to \$1,176 were transferred to intangible assets.

The details of amortization charge are as follows:

|                                     | Years ended December 31, |                  |
|-------------------------------------|--------------------------|------------------|
|                                     | 2022                     | 2021             |
| Selling and marketing expenses      | \$ 5,276                 | \$ 5,850         |
| General and administrative expenses | 84,370                   | 67,867           |
|                                     | <u>\$ 89,646</u>         | <u>\$ 73,717</u> |

- A. Goodwill is allocated as follows to the Group's cash-generating units identified according to operating segment:

|                        | December 31, 2022   | December 31, 2021   |
|------------------------|---------------------|---------------------|
| Yosun subgroup         | \$ 3,683,601        | \$ 3,633,567        |
| World Peace subgroup   | 1,648,325           | 1,644,735           |
| Others                 | 244,283             | 244,283             |
|                        | 5,576,509           | 5,552,585           |
| Accumulated impairment | ( 517,423)          | ( 452,859)          |
|                        | <u>\$ 5,058,786</u> | <u>\$ 5,099,726</u> |

- B. Goodwill is allocated to the Group's cash-generating units identified according to operating segment. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management.

Management determined budgeted gross margin based on past performance and its expectations of market development. The assumptions used for weighted average growth rates are based on past historical experience and expectations of the industry; the assumption used for discount rate is the weighted average capital cost of the Group. The assumption used for discount rate is the weighted average capital cost of each cash-generating unit. As of December 31, 2022 and 2021, the adopted pre-tax discount rates were 6.42%~7.77% and 3.14%~8.84%, respectively.

- C For the years ended December 31, 2022 and 2021, the Group recognized impairment loss of goodwill as shown below:

|                                                     | Year ended December 31, 2022 |                                          |
|-----------------------------------------------------|------------------------------|------------------------------------------|
|                                                     | Recognized in profit or loss | Recognized in other comprehensive income |
| Impairment loss - Yosun subgroup                    | <u>\$ 54,263</u>             | <u>\$ -</u>                              |
|                                                     |                              |                                          |
|                                                     | Year ended December 31, 2021 |                                          |
|                                                     | Recognized in profit or loss | Recognized in other comprehensive income |
| Impairment loss - World Peace subgroup, BU3 and BU6 | \$ 349,366                   | \$ -                                     |
| Impairment loss - Yosun subgroup                    | 72,675                       | -                                        |
|                                                     | <u>\$ 422,041</u>            | <u>\$ -</u>                              |

D. Goodwill allocated to the operating segment of World Peace subgroup was impaired because the recoverable amount which was the value in use calculated by external appraisal experts was lower than the carrying amount of net assets based on the Group's assessment. The main assumptions used in calculating recoverable amount by external appraisal experts are set out below.

|               | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|---------------|--------------------------|--------------------------|
| Growth rate   | 2.00%                    | 2.00%                    |
| Discount rate | 7.68%~7.77%              | 6.84%~8.84%              |
| Gross margin  | 2.72%~3.72%              | 2.24%~4.70%              |

E. Goodwill allocated to the operating segment of Yosun Industrial Corp. subgroup was impaired because the recoverable amount which was the value in use calculated by external appraisal experts was lower than the carrying amount of net assets based on the Group's assessment. The main assumptions used in calculating recoverable amount by external appraisal experts are set out below.

|               | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|---------------|--------------------------|--------------------------|
| Growth rate   | 2.00%                    | 2.00%~2.17%              |
| Discount rate | 6.42%~6.89%              | 3.14%~4.66%              |
| Gross margin  | 3.00%~6.02%              | 2.90%~9.80%              |

(14) Overdue receivables (shown as 'other non-current assets')

|                                       | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|---------------------------------------|--------------------------|--------------------------|
| Overdue receivables                   | \$ 779,582               | \$ 756,011               |
| Less: Allowance for doubtful accounts | ( 771,744)               | ( 751,720)               |
|                                       | <u>\$ 7,838</u>          | <u>\$ 4,291</u>          |

Movement analysis of financial assets that were impaired is as follows:

|                                         | <u>Individual provision</u> |                   |
|-----------------------------------------|-----------------------------|-------------------|
|                                         | <u>2022</u>                 | <u>2021</u>       |
| At January 1                            | \$ 751,720                  | \$ 971,636        |
| Reversal of impairment                  | ( 40,948)                   | ( 8,627)          |
| Write-off of bad debts                  | ( 238,285)                  | ( 239,915)        |
| Transferred from accounts receivable    | 232,346                     | 51,755            |
| Effect due to changes in exchange rates | 66,911                      | ( 23,129)         |
| At December 31                          | <u>\$ 771,744</u>           | <u>\$ 751,720</u> |

(15) Short-term borrowings

| <u>Type of borrowings</u>    | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|------------------------------|--------------------------|--------------------------|
| Loans for overseas purchases | \$ 18,125,975            | \$ 23,040,454            |
| Short-term loans             | 62,393,016               | 59,294,108               |
|                              | <u>\$ 80,518,991</u>     | <u>\$ 82,334,562</u>     |
| Annual interest rates        | <u>0.95%~8.9%</u>        | <u>0.58%~6%</u>          |

For information on pledged assets, refer to Note 8.

(15) Short-term notes and bills payable

|                            | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------|--------------------------|--------------------------|
| Commercial papers payable  | \$ 5,350,000             | \$ 7,450,000             |
| Less: Unamortized discount | ( 7,741)                 | ( 5,185)                 |
|                            | <u>\$ 5,342,259</u>      | <u>\$ 7,444,815</u>      |
| Annual interest rates      | <u>1%~2.39%</u>          | <u>0.24%~1.2%</u>        |

The abovementioned short-term notes and bills payable are guaranteed by financial institutions.

(17) Long-term borrowings

| <u>Type of borrowings</u>                                                         | <u>Borrowing period / repayment term</u> | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-----------------------------------------------------------------------------------|------------------------------------------|--------------------------|--------------------------|
| Secured bank borrowings<br>(Notes 1, 5, 6 and 15)                                 | 2020.03.31~<br>2041.08.26                | \$ 6,280,465             | \$ 6,232,000             |
| Unsecured bank borrowings (Notes 2~4, 8 and 11~14)                                | 2019.07.10~<br>2026.12.30                | 22,978,493               | 13,962,988               |
| Commercial paper payable<br>(Notes 7~11 and 13)                                   | 2018.11.09~<br>2025.02.18                | <u>15,250,000</u>        | <u>11,450,000</u>        |
|                                                                                   |                                          | 44,508,958               | 31,644,988               |
| Less: Discount on long-term borrowings                                            |                                          | ( 42,813)                | ( 47,650)                |
| Current portion of long-term borrowings<br>(shown as 'other current liabilities') |                                          | ( 10,934,042)            | ( 119,092)               |
|                                                                                   |                                          | <u>\$ 33,532,103</u>     | <u>\$ 31,478,246</u>     |
| Interest rate range                                                               |                                          | <u>1.17%~5.95%</u>       | <u>0.47%~2.47%</u>       |

For information on pledged assets, refer to Note 8.

Note 1: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Nangang new buildings with a grace period of three years. The principal is payable in equal monthly installments starting from April 2023.

(b) The interest rate is the index interest rate plus 0.34% from the borrowing day to March 31, 2022, and from March 31, 2022 onwards, the interest rate shall be the index rate plus 0.45%.

Note 2: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2023. The fixed interest rate is 1.43% from the borrowing day to March 10, 2022, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 10, 2022. The Company terminated the agreement before the maturity and renewed the agreement on March 7, 2022. Details are provided in Note 3.

- Note 3: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2025. The fixed interest rate is 1.48% from the borrowing day to March 11, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 11, 2024.
- Note 4: The Company had entered into a mid-term agreement for five years with a financial institution. The interest rate shall be the index interest rate plus 0.45% from the borrowing day. The principal is payable in equal monthly installments starting from October 2020.
- Note 5: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Taoyuan plants with a grace period of three years. The principal is payable in equal monthly installments starting from September 2024.
- (b) The interest rate is the index interest rate plus 0.34% from the borrowing day to August 26, 2023, and from August 26, 2023 onwards, the interest rate shall be the index rate plus 0.45%.
- Note 6: AIT Japan Inc., the Company's indirect subsidiary, had entered into a long-term loan agreement for a period of ten years with Daiwa Bank, Limited on March 28, 2012, and the facility is JPY 250,000,000. The pledged assets are land and office in Tokyo, which amount to \$69,545 and \$62,365, respectively. The principal should be repaid in equal monthly installments (totaling 114 months) of JPY 2,193,000 from October 31, 2012 and the last monthly installment will be JPY 2,191,000.
- AIT Japan Inc., an indirect subsidiary, have settled all payments on January 18, 2021.
- Note 7: Asian Information Technology Inc. and indirect subsidiaries, Frontek Technology Corporation and Apache Communication Inc., had entered into a syndicated credit agreement with Chang Hwa Bank, First Commercial Bank and Mega International Commercial Bank and other financial institutions on January 18, 2022. Under the agreement, they may re-utilize the loan and roll over commercial papers with the maximum maturity period of 6 months for each drawdown and issuance during the contract term. Therefore, the above borrowings were classified as long-term borrowings. The terms and conditions of the contract are as follows:
- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The total drawdown facility must be less than USD150 million.
- i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 300 thousand or shall be all the remaining undrawn facility, but not applicable to the amount approved by the lead bank. Each drawdown period shall be at least one month up to a maximum

- of six months. Each maturity date shall be within the contract term.
- ii. During the contract term, commercial paper can be rolled over within the total revolving credit facility of \$3,000,000 at 30, 60, 90 days maturity or the days agreed by both the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term. Each issuance is limited to a maximum of two different maturities.
- (c) Repayment:
- i. For each drawdown, the matured principal must be repaid in full or directly repaid by a new drawdown of such tranche of credit facility on the repayment date, which is the maturity date stipulated on the application of each drawdown. If the amount of drawdown is the same, the borrower, lead bank and each credit bank would not make an additional procedure for the remittance and loan. However, the principal, interest and related expenses of each drawdown must be repaid in full by the borrower at the end of the contract term.
  - ii. When the commercial papers mature, the issuer shall settle each commercial paper at face value. However, the commercial papers can be rolled over prior to the end of the contract term, and the proceeds can be used to repay the existing commercial papers which are due. If the amount of issuance is the same, the issuer and the underwriting institution would not make an additional procedure for the remittance and loan. However, the guarantees advanced by the credit bank and other payables must be repaid in full by the issuer at the end of the contract term.
- (d) Loan covenant: The Company is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 300%, time interest earned ratio should not be less than 3 and net value (net assets less intangible assets) should not be less than \$3,000,000. If the covenants are not met, one or all of the following actions will be taken directly by the lead bank or based on the resolution made by majority of the syndicated banks:
- i. Terminate any, part of or all the borrower's applications to draw down all or part of credit facilities.
  - ii. Cancel all or part of the undrawn facility under this agreement.
  - iii. Declare that any, part of or all the borrower's outstanding principal, interest, expenses and other payables under this agreement are, in whole or in part, expired immediately.



- iv. The lead bank has the right to request the issuer to immediately deposit an amount in NTD, based on the balance of commercial papers with undischarged guaranteed obligations, as ready-to-use funds into the account designated by the lead bank, in case the holder of commercial paper requests to fulfill the guarantee obligations. Any remaining balance after deducting all the debts and expenses that the issuer should bear will be refunded without interest; or the issuer shall, by any other ways, make the holder of issued commercial paper agree to change the guarantor of the commercial papers and discharge the guarantee responsibility of each credit bank. If the issuer fails to comply with the aforementioned requirements, it shall immediately repay all the guarantees paid by each credit bank and pay delayed interest, penalty and related expenses in accordance with the agreement.
- v. Request for payment using the commercial papers.
- vi. Exercise its rights such as the right to the pledge or contract transfer.
- vii. Exercise other rights of the lead bank and each credit bank conferred by the law, this contract or its related contract documents.
- viii. Other handling approaches approved in writing by a majority of the credit bank syndicate.

Asian Information Technology Inc. and indirect subsidiaries, Frontek Technology Corporation and Apache Communication Inc., met all the financial commitments stated in the contract.

Note 8: Silicon Application Corporation had entered into a syndicated borrowing agreement with Chang Hwa Commercial Bank and other financial institutions on June 9, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$2,600,000, could be multiple drawdowns or revolving, however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.
- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 260%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000.

Silicon Application Corporation met all the financial commitments stated in the contract.

Note 9: Silicon Application Corporation had entered into a syndicated borrowing agreement with Taiwan Cooperative Bank and other financial institutions on January 14, 2022.

The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility is \$3,600,000, could be multiple drawdowns or revolving; however, the total amount at any time cannot exceed the facility amount.
- (c) Repayment: For each drawdown, the principal and the interest payable must be repaid in full at the end of that specific drawdown's term. At the end of the contract term, the principal, interest payable and any related expense of each drawdown must be repaid in full.
- (d) Loan covenant: During the contract term, Silicon Application Corporation is required to maintain financial ratios as follows: the liquidity ratio should not be less than 100%, debt ratio should not be higher than 280%, time interest earned ratio should not be less than 3 and net value (net assets less intangible assets) should be maintained at or above \$3,000,000.

Silicon Application Corporation met all the financial commitments stated in the contract.

Note 10: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a financing agreement with E. SUN Commercial Bank, Mizuho Corporate Bank and Cathay United Bank and other financial institutions on October 16, 2018. WPI has to roll over commercial papers and re-utilize the loan during the contract period, up to 2021, with the maximum maturity period of 6 months for each issue as stipulated in the agreement. Therefore, borrowings of WPI were classified as long-term borrowings. The terms and conditions of the contract are as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility must be less than \$10,000,000.
  - i. Each drawdown amount must not be less than \$100,000 or USD 3 million. Based on the credit term in the contract, the loan can be re-utilized. The repayment period could be one or six months: One month at the least and six months at the most. Each maturity date shall be within the contract term.
  - ii. During the term of agreement, WPI can roll over each credit facility within the total revolving credit facility of commercial papers amounting to \$8,000,000 at 60, 90, 120, 180 days maturity or the days agreed by the lead bank and the Company with a limit of 180 days and each maturity date shall be within the contract term.

- (c) Repayment:
- i. For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.
  - ii. When the commercial papers mature, the borrower shall deposit available funds at face value on the maturity date to an account designated by clearing and settlement institutions immediately in line with Regulations Governing Centralized Securities Depository Enterprises.
- (d) Loan covenant: WPI is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and the lead bank can decide to take the following actions:
- i. Rescind part or all of the undrawn facility;
  - ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;
  - iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
  - iv. Demand all rights of the promissory note obtained from signing of the contract.

World Peace Industrial Co., Ltd. met all the financial commitments stated in the contract, and have settled all payments on January 9, 2021.

Note 11: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with Taiwan Cooperative Bank on August 18, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility of \$10,000,000 and the facility of WPI International (Hong Kong) Limited of US\$200 million shall be maintained at 40%, and the loan can be re-utilized based on the credit term in the contract.

- i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
  - ii. The facility of commercial papers is \$7,500,000. Each drawdown amount must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.
- (c) Repayment:
- i. For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same as the last time, the syndicate of banks would not make an additional procedure of remittance and loan, as if the borrower has actually received the loan, and uses the loan contract as proof of receipt.
  - ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value.
- (d) Loan covenant: WPI is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net assets less intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and the following actions will be taken based on the resolution made by majority syndicated banks:
- i. Rescind part or all of the undrawn facility;
  - ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract;
  - iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;

- iv. Demand all rights of the promissory note obtained from signing of the contract.

World Peace Industrial Co., Ltd. met all the financial commitments stated in the contract.

Note 12: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a financing agreement with DBS Bank on July 24, 2020. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The facility must be less than USD 100 million.
- (c) Repayment: For each drawdown, the principal and interest must be repaid in full at the end of each drawdown's term.

Note 13: World Peace Industrial Co., Ltd. (WPI), the Company's subsidiary, had entered into a long-term loan agreement with Chang Hwa Bank and Taipei Fubon Bank on September 9, 2021. The terms and conditions of the contract were as follows:

- (a) Contract term: Within three years from the first drawdown.
- (b) Facility and drawdown: The consolidated drawdown rate of the WPI's facility is \$14,000,000 and the facility of WPI International (Hong Kong) Limited is US\$240 million. The loan can be re-utilized based on the credit term in the contract.
  - i. Each drawdown amount must not be less than \$50,000 or USD 1.5 million, and the amount more than \$50,000 or USD 1.5 million shall be an integral multiple of \$10,000 or USD 1 million or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The repayment period can be one, two, three, four, five or six month(s). However, each maturity date shall be within the contract term.
  - ii. The facility of commercial papers is \$8,400,000. Each drawdown amount must not be less than \$50,000, and the amount more than \$50,000 shall be an integral multiple of \$10,000 or shall be the available facility during the credit period, but not available for the amount approved by the lead bank. The issuance period for each drawdown can be 30, 60 and 90 days maturity or the days agreed by the lead bank and WPI with a limit of 180 days. However, each maturity date shall be within the contract term.
- (c) Repayment:
  - i. Repayment: For each drawdown, the maturity date is the time when the borrowing is due, the principal must be repaid in full on the maturity date. If one of any maturity dates is not a bank working day, the maturity date will be delayed to the next bank working day, however, if the next bank working day will fall in the following month, the maturity date will be shifted to the earlier bank working day. However, the last maturity date can

not exceed the credit term. For re-utilization of the revolving loan after maturity date, application should be submitted to the lead bank five days before the maturity date or other shorter term agreed by the lead bank. Based on the credit term in the contract, all or part of the loan will be re-utilized. If the amount of drawdown is the same, the syndicate of banks would not make an additional procedure of remittance and loan and uses the loan contract as proof of receipt. The re-utilization amount shall be repaid according to the contract.

- ii. When the commercial papers mature, the borrower shall settle the commercial papers at face value. However, the commercial papers can be re-utilized at the maturity date and used to directly repay the commercial papers which are due.
- (d) Loan covenant: World Peace Industrial Co., Ltd. is required to maintain certain financial ratios based on annual consolidated financial statements during the contract period as follows: liquidity ratio should not be less than 100%, debt ratio should not be higher than 250%, time interest earned ratio should not be less than 2.5 and net value (net intangible assets) should not be less than \$10,000,000. If the covenants are not met, right to drawdown is immediately terminated, and one or all of the following actions will be taken directly by the lead bank or based on the resolution made by majority of the syndicated banks:
- i. Terminate part or all of the undrawn facility;
  - ii. Request WPI to immediately repay all drawn principals, interest payable and other related payables as specified in the contract to the lead bank, related credit obligations of the syndicated banks based on the contract shall be immediately terminated;
  - iii. Demand the borrower to deposit the amounts that are equivalent to undischarged guaranteed obligations for drawdown facility of issued commercial papers under the agreement and (or) outstanding guarantees as reserve into the account designated by the bank consortium immediately;
  - iv. Demand all rights of the promissory note obtained from signing of the contract.
  - v. To the extent permitted by law, lead bank can exercise its rights based on law and contract according to the contract, security documents and related documents. The lead bank can exercise the right without any prompt, notice, summon exhortation, protest of bill or performing other legal requirements.
- WPI met all the financial commitments stated in the contract.

Note 14: On July 10, 2019, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 3 billion until June 15, 2022. The principal is payable in 10 quarterly installments of KRW 300 million each starting from March 15, 2020. The interest is payable quarterly. WPG Korea Co., Ltd. have settled all payments on June 15, 2022.

Note 15: On June 29, 2022, WPG Korea Co., Ltd. entered into a long-term loan agreement with Kookmin Bank for a loan of KRW 2 billion until June 29, 2024. The interest is payable quarterly. The principal shall be repaid in full at maturity, and the pledged asset is the office in Korea, which amount to \$30,469.

(18) Other current liabilities

|                                      | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|--------------------------------------|--------------------------|--------------------------|
| Long-term borrowings-current portion | \$ 10,934,042            | \$ 119,092               |
| Refund liabilities                   | 3,502,479                | 3,329,230                |
| Contract liabilities                 | 177,637                  | 375,776                  |
| Others                               | 573,423                  | 568,062                  |
|                                      | <u>\$ 15,187,581</u>     | <u>\$ 4,392,160</u>      |

A. Refund liabilities were generated from sales discounts which is shown as ‘other current liabilities’.

B. Contract liabilities were generated from advance sales receipts which is shown as ‘other current liabilities’.

(19) Pensions

A. Defined benefit plans

(a) The Company and its domestic subsidiaries have 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 and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees’ monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic

subsidiaries will make contribution for the deficit by next March.

Effective January 1, 2010, the Company and certain subsidiaries have funded defined benefit pension plans in accordance with the “Regulations on pensions of managers”, covering all managers appointed by the Company. Under the defined benefit pension plan, one unit is accrued for each year of service, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the remuneration per unit ratified during the appointed period.

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

|                                                                          | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|--------------------------------------------------------------------------|--------------------------|--------------------------|
| Present value of defined benefit obligations                             | \$ 1,184,280             | \$ 1,159,809             |
| Fair value of plan assets                                                | ( 624,464)               | ( 519,251)               |
| Net defined benefit liability (shown as “other non-current liabilities”) | <u>\$ 559,816</u>        | <u>\$ 640,558</u>        |

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

|                                              | <u>2022</u>                                         |                                  |                                      |
|----------------------------------------------|-----------------------------------------------------|----------------------------------|--------------------------------------|
|                                              | <u>Present value of defined benefit obligations</u> | <u>Fair value of plan assets</u> | <u>Net defined benefit liability</u> |
| At January 1                                 | \$ 1,159,809                                        | (\$ 519,251)                     | \$ 640,558                           |
| Current service cost                         | 12,059                                              | ( 3,607)                         | 8,452                                |
| Interest expense (income)                    | <u>7,337</u>                                        | <u>( 3,308)</u>                  | <u>4,029</u>                         |
|                                              | <u>1,179,205</u>                                    | <u>( 526,166)</u>                | <u>653,039</u>                       |
| Remeasurements:                              |                                                     |                                  |                                      |
| Returns on plan assets                       | -                                                   | ( 33,656)                        | ( 33,656)                            |
| Change in financial assumptions              | ( 52,486)                                           | -                                | ( 52,486)                            |
| Experience adjustments                       | <u>103,152</u>                                      | <u>( 5,098)</u>                  | <u>98,054</u>                        |
|                                              | <u>50,666</u>                                       | <u>( 38,754)</u>                 | <u>11,912</u>                        |
| Paid pension                                 | ( 39,929)                                           | 39,929                           | -                                    |
| Direct payments charged to company’s account | ( 5,662)                                            | -                                | ( 5,662)                             |
| Pension fund contribution                    | <u>-</u>                                            | <u>( 99,473)</u>                 | <u>( 99,473)</u>                     |
| At December 31                               | <u>\$ 1,184,280</u>                                 | <u>(\$ 624,464)</u>              | <u>\$ 559,816</u>                    |



|                                                 | 2021                                               |                              |                                  |
|-------------------------------------------------|----------------------------------------------------|------------------------------|----------------------------------|
|                                                 | Present value of<br>defined benefit<br>obligations | Fair value of<br>plan assets | Net defined<br>benefit liability |
| At January 1                                    | \$ 1,149,613                                       | (\$ 539,841)                 | \$ 609,772                       |
| Current service cost                            | ( 17,796)                                          | ( 695)                       | ( 18,491)                        |
| Interest expense (income)                       | <u>3,583</u>                                       | <u>( 1,670)</u>              | <u>1,913</u>                     |
|                                                 | <u>1,135,400</u>                                   | <u>( 542,206)</u>            | <u>593,194</u>                   |
| Remeasurements:                                 |                                                    |                              |                                  |
| Returns on plan assets                          | 236                                                | ( 6,295)                     | ( 6,059)                         |
| Change in demographic<br>assumptions            | 163                                                | -                            | 163                              |
| Change in financial<br>assumptions              | ( 32,645)                                          | -                            | ( 32,645)                        |
| Experience adjustments                          | <u>199,588</u>                                     | <u>( 1,008)</u>              | <u>198,580</u>                   |
|                                                 | <u>167,342</u>                                     | <u>( 7,303)</u>              | <u>160,039</u>                   |
| Paid pension                                    | ( 116,702)                                         | 116,702                      | -                                |
| Direct payments charged to<br>company's account | ( 26,231)                                          | -                            | ( 26,231)                        |
| Pension fund contribution                       | <u>-</u>                                           | <u>( 86,444)</u>             | <u>86,444</u>                    |
| At December 31                                  | <u>\$ 1,159,809</u>                                | <u>(\$ 519,251)</u>          | <u>\$ 640,558</u>                |

- (d) The Bank of Taiwan was commissioned to manage the fund of the Company's and domestic subsidiaries' defined benefit pension plan assets in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that Fund and therefore, the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

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

|                         | Years ended December 31, |             |
|-------------------------|--------------------------|-------------|
|                         | 2022                     | 2021        |
| Discount rate           | 1.2%~1.3%                | 0.6%~0.7%   |
| Future salary increases | 2.50%~4.00%              | 2.00%~4.00% |

Assumptions regarding future mortality experience are set based on future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table and experience.

Sensitivity analysis of the effect on present value of defined benefit obligation due from the changes of main actuarial assumptions was as follows:

|                                        | Discount rate |             | Future salary increases |             |
|----------------------------------------|---------------|-------------|-------------------------|-------------|
|                                        | Increase 1%   | Decrease 1% | Increase 1%             | Decrease 1% |
| December 31, 2022                      |               |             |                         |             |
| Effect on present value of             |               |             |                         |             |
| defined benefit obligation (\$ 42,785) | \$ 44,082     | \$ 36,510   | (\$ 35,673)             |             |
| December 31, 2021                      |               |             |                         |             |
| Effect on present value of             |               |             |                         |             |
| defined benefit obligation (\$ 62,488) | \$ 64,496     | \$ 52,551   | (\$ 46,865)             |             |

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

The methods and types of assumptions used in preparing the sensitivity analysis were consistent with previous period.

- (f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2023 are \$7,516.
- (g) As of December 31, 2022, the weighted average duration of the retirement plan is 7~12 years.

#### B. Defined contribution plans

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on not less than 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) Other overseas companies have defined contribution plans. Contributions for pensions and retirement allowance to independent fund administered by the government in

accordance with the local pension regulations are based on a certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the companies have no further obligations.

- (c) The pension costs of the Group under the defined contribution pension plans for the years ended December 31, 2022 and 2021 were \$423,021 and \$366,508, respectively.

(20) Share-based payment

- A. For the year ended December 31, 2021, share-based payment arrangements of the Company's subsidiary, Trigold Holdings Limited (Trigold), were as follows:

| <u>Type of arrangement</u>                             | <u>Grant date</u> | <u>Quantity granted</u> | <u>Contract period</u> | <u>Vesting conditions</u> |
|--------------------------------------------------------|-------------------|-------------------------|------------------------|---------------------------|
| Cash capital increase reserved for employee preemption | 2021.7.16         | 3,150 thousand shares   | NA                     | Vested immediately        |

- B. Details of the share-based payment arrangements for the above employee stock options are as follows:

|                                    | <u>2021</u>                                    |                                                             |
|------------------------------------|------------------------------------------------|-------------------------------------------------------------|
|                                    | <u>No. of options<br/>(in thousand shares)</u> | <u>Weighted-average<br/>exercise price<br/>(in dollars)</u> |
| Options outstanding at January 1   | -                                              | \$ -                                                        |
| Options granted                    | 3,150                                          | 21.00                                                       |
| Options forfeited                  | ( 779)                                         | 21.00                                                       |
| Options exercised                  | ( 2,371)                                       | 21.00                                                       |
| Options outstanding at December 31 | <u>-</u>                                       |                                                             |
| Options exercisable at December 31 | <u>-</u>                                       |                                                             |

- C. The stock price for those options exercised during the year ended December 31, 2021 at the exercise date was \$24.80 (in dollars).
- D. The fair value of stock options granted by Trigold Holdings Limited on grant date is measured using the stock price at grant date, net of dividends and dividend rate of capital increase.
- E. Expenses incurred on share-based payment transactions are shown below:

|                                    | <u>Year ended December 31, 2021</u> |
|------------------------------------|-------------------------------------|
| Equity-settled                     | <u>\$ 17,955</u>                    |
| Year ended December 31, 2022: None |                                     |

(21) Share capital

- A. The Company's authorized capital was \$25,000,000, of which certain shares can be issued as preference shares. The above authorized capital includes \$500,000 reserved for employee stock option certificates, restricted stocks to employees, convertible preferred

stock and convertible bonds. As of December 31, 2022, the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

- B. Movements in the number of the Company's ordinary shares outstanding (in thousands of shares) for the years ended December 31, 2022 and 2021 are as follows:

|                              | <u>2022</u>      | <u>2021</u>      |
|------------------------------|------------------|------------------|
| At January 1 and December 31 | <u>1,679,057</u> | <u>1,679,057</u> |

- C. On June 28, 2019, the Board of Directors resolved to increase its capital by issuing 200 million shares of Class A preferred stocks at the price of \$50 (in dollars) per share with the effective date set on September 18, 2019 for repayment of borrowings to financial institutions and strengthening the Company's working capital. The registration of issuance has been completed on October 3, 2019. The rights and obligations of the issuance are as follows:

- (a) Expiration date: The Company's Class A preferred stocks are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price.
- (b) Dividends: Dividends are calculated at 4% (five-year IRS rate: 0.605%+3.395%) per annum based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.
- (c) Dividend distribution: Dividends are distributed once per year in the form of cash. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then shall be set aside as legal reserve in accordance with the Articles of Incorporation and set aside or reverse as special reserve in accordance with the Articles of Incorporation or regulations of regulatory authority. The remaining amount, if any, shall be preferentially distributed as dividends of Class A preferred stocks.

The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the stockholders, which would not be able to lead to default if the Company has no or has insufficient current year's earnings for distribution or has other necessary considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the

Company has earnings.

- (d) Excess dividend distribution: Besides the aforementioned dividends, the stockholders of Class A preferred stocks could not participate in the distribution of cash and capitalized assets for common stocks derived from earnings and capital surplus.
  - (e) Residual property distribution: The stockholders of Class A preferred stocks have priority over stockholders of common stocks in distributing the Company's residual property but the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.
  - (f) Right to vote and be elected: The stockholders of Class A preferred stocks have no right to vote and be elected in the stockholders' meeting of the Company but have right to vote in the stockholders' meeting for stockholders of Class A preferred stocks only and stockholders' meeting regarding unfavourable matters to rights and obligations of stockholders of Class A preferred stocks.
  - (g) Conversion to common stocks: Class A preferred stocks could not be converted to common stocks and the stockholders of Class A preferred stocks could not request the Company to retire the preferred stocks they held.
  - (h) The preemptive rights for stockholders of Class A preferred stocks are the same as that common stocks when the Company increases its capital by issuing new shares.
- D. On September 18, 2020, the Board of Directors of the Company resolved to increase its capital by issuing series B preference shares, and the issuance price is tentatively set at NT\$50 per share, and the expected total issuance amounted to \$5,000,000. The capital increase was approved by the FSC on October 21, 2020. However, in consideration of preference shares' capital market and the Company's overall maximum benefits, the Board of Directors of WPG Holdings Limited resolved to revoke and cancel the proposed capital increase of series B preference shares on March 30, 2021. The cancellation was approved by the FSC on April 6, 2021.

(22) Capital surplus

- A. Pursuant to the R.O.C. Company Law, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalized as 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.

B. Details of capital reserve - stock options are as follows:

| 2022                                                                                                 |                                  |                                     |                                  |                                                     |                                         |                      |
|------------------------------------------------------------------------------------------------------|----------------------------------|-------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------|----------------------|
|                                                                                                      | Common<br>stock share<br>premium | Preferred<br>stock share<br>premium | Treasury<br>share<br>transaction | Recognized<br>changes in<br>subsidiaries'<br>equity | Changes in<br>associates'<br>net equity | Total                |
| January 1                                                                                            | \$19,387,285                     | \$ 7,994,638                        | \$ 45,177                        | \$ 13,856                                           | \$ 1,283,542                            | \$ 28,724,498        |
| Changes in equity of<br>associates and joint<br>ventures accounted<br>for using the equity<br>method | -                                | -                                   | -                                | -                                                   | ( 91,345)                               | ( 91,345)            |
| Changes in ownership<br>interests in<br>subsidiaries                                                 | -                                | -                                   | -                                | 763                                                 | -                                       | 763                  |
| December 31                                                                                          | <u>\$19,387,285</u>              | <u>\$ 7,994,638</u>                 | <u>\$ 45,177</u>                 | <u>\$ 14,619</u>                                    | <u>\$ 1,192,197</u>                     | <u>\$ 28,633,916</u> |

| 2021                                                                                                 |                                  |                                     |                                  |                                                     |                                         |                      |
|------------------------------------------------------------------------------------------------------|----------------------------------|-------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------|----------------------|
|                                                                                                      | Common<br>stock share<br>premium | Preferred<br>stock share<br>premium | Treasury<br>share<br>transaction | Recognized<br>changes in<br>subsidiaries'<br>equity | Changes in<br>associates'<br>net equity | Total                |
| January 1                                                                                            | \$19,387,285                     | \$ 7,994,638                        | \$ 45,177                        | \$ 431                                              | \$ 1,421,202                            | \$ 28,848,733        |
| Changes in equity of<br>associates and joint<br>ventures accounted<br>for using the equity<br>method | -                                | -                                   | -                                | -                                                   | ( 137,660)                              | ( 137,660)           |
| Changes in ownership<br>interests in<br>subsidiaries                                                 | -                                | -                                   | -                                | 13,425                                              | -                                       | 13,425               |
| December 31                                                                                          | <u>\$19,387,285</u>              | <u>\$ 7,994,638</u>                 | <u>\$ 45,177</u>                 | <u>\$ 13,856</u>                                    | <u>\$ 1,283,542</u>                     | <u>\$ 28,724,498</u> |

(23) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall be used to set aside as legal reserve, and set aside as special reserve in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, to be appropriated shall be proposed by the Board of Directors. If cash dividends are distributed, they shall account for at least 20% of the total dividends distributed.

Employees of the Company's subsidiaries are entitled to receive the distribution of earnings. The terms shall be defined by the Board of Directors.

B. Legal reserve can only be used to cover accumulated losses or issue new shares or cash to shareholders in proportion to their share ownership, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

C. 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.

D. The appropriations of 2021 earnings had been resolved at the shareholders' meeting on May 26, 2022. Also, the appropriations of 2020 earnings had been resolved after meeting the statutory voting threshold via the electronic voting platform during the shareholders'

meeting and by the shareholders at their meeting on June 20, 2021 and August 3, 2021, respectively. Details are summarised below:

|                                       | Years ended December 31, |                                       |                     |                                       |
|---------------------------------------|--------------------------|---------------------------------------|---------------------|---------------------------------------|
|                                       | 2021                     |                                       | 2020                |                                       |
|                                       | Amount                   | Dividend<br>per share<br>(in dollars) | Amount              | Dividend<br>per share<br>(in dollars) |
| Legal reserve                         | \$ 1,175,263             | \$ -                                  | \$ 816,223          | \$ -                                  |
| Provision for<br>special reserve      | 1,093,311                | -                                     | 3,412,100           | -                                     |
| Cash dividends                        | 5,876,699                | 3.50                                  | 5,205,076           | 3.10                                  |
| Cash dividends of<br>preference stock | 400,000                  | 2.00                                  | 400,000             | 2.00                                  |
|                                       | <u>\$ 8,545,273</u>      |                                       | <u>\$ 9,833,399</u> |                                       |

The appropriations of 2021 earnings which had been resolved by the shareholders and the appropriations of 2020 earnings which had been resolved after meeting the statutory voting threshold via the electronic voting platform during the shareholder's meeting and by the shareholders at their meeting were in line with the appropriations resolved by the Board of Directors.

- E. As of February 28, 2023, the Board of Directors has not proposed and the stockholders have not resolved the distribution of earnings for the year of 2022.
- F. For the information relating to employees' compensation and directors' remuneration, refer to Note 6(31).

(24) Other equity items

|                                                              | 2022                                                                  |                         |                       |
|--------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------|-----------------------|
|                                                              | Investments at fair<br>value through other<br>comprehensive<br>income | Currency<br>translation | Total                 |
| At January 1                                                 | \$ 3,459,437                                                          | (\$ 13,385,541)         | (\$ 9,926,104)        |
| Revaluation-gross                                            | ( 998,984)                                                            | -                       | ( 998,984)            |
| Revaluation-associates                                       | ( 2,445,659)                                                          | -                       | ( 2,445,659)          |
| Revaluation transferred to retained<br>earnings - associates | ( 61,791)                                                             | -                       | ( 61,791)             |
| Cumulative translation<br>differences:                       |                                                                       |                         |                       |
| - Group                                                      | -                                                                     | 9,004,320               | 9,004,320             |
| - Tax on Group                                               | -                                                                     | ( 11,840)               | ( 11,840)             |
| - Associates                                                 | -                                                                     | 962,173                 | 962,173               |
| At December 31                                               | <u>(\$ 46,997)</u>                                                    | <u>(\$ 3,430,888)</u>   | <u>(\$ 3,477,885)</u> |

|                                                              | 2021                                                            |                         |                       |
|--------------------------------------------------------------|-----------------------------------------------------------------|-------------------------|-----------------------|
|                                                              | Investments at<br>fair value through<br>comprehensive<br>income | Currency<br>translation | Total                 |
| At January 1                                                 | \$ 1,854,371                                                    | (\$ 10,687,165)         | (\$ 8,832,794)        |
| Revaluation-gross                                            | 1,303,437                                                       | -                       | 1,303,437             |
| Revaluation transferred to<br>retained earnings              | ( 189,116)                                                      | -                       | ( 189,116)            |
| Revaluation-transferred to<br>associates                     | 530,597                                                         | -                       | 530,597               |
| Revaluation transferred to retained<br>earnings - associates | ( 39,852)                                                       | -                       | ( 39,852)             |
| Cumulative translation<br>differences:                       |                                                                 |                         |                       |
| - Group                                                      | -                                                               | ( 2,464,058)            | ( 2,464,058)          |
| - Tax on Group                                               | -                                                               | 5,024                   | 5,024                 |
| - Associates                                                 | -                                                               | ( 239,342)              | ( 239,342)            |
| At December 31                                               | <u>\$ 3,459,437</u>                                             | <u>(\$ 13,385,541)</u>  | <u>(\$ 9,926,104)</u> |

(25) Operating revenue

|                                       | Years ended December 31, |                       |
|---------------------------------------|--------------------------|-----------------------|
|                                       | 2022                     | 2021                  |
| Revenue from contracts with customers | <u>\$ 775,232,422</u>    | <u>\$ 778,572,715</u> |

Disaggregation of revenue from contracts with customers

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

|                                           | Years ended December 31, |                       |
|-------------------------------------------|--------------------------|-----------------------|
|                                           | 2022                     | 2021                  |
| Core components                           | \$ 279,342,947           | \$ 238,663,186        |
| Analog IC and mixed signal components     | 73,035,947               | 74,516,191            |
| Discrete IC, logic IC                     | 93,442,973               | 105,137,035           |
| Memory                                    | 214,267,553              | 225,013,454           |
| Optical components                        | 63,621,903               | 80,519,200            |
| Passive connector and magnetic components | 35,004,053               | 40,387,173            |
| Others                                    | 16,517,046               | 14,336,476            |
|                                           | <u>\$ 775,232,422</u>    | <u>\$ 778,572,715</u> |

(26) Interest income

|                                                                     | Years ended December 31, |                  |
|---------------------------------------------------------------------|--------------------------|------------------|
|                                                                     | 2022                     | 2021             |
| Interest income from bank deposits                                  | \$ 66,462                | \$ 25,003        |
| Interest income from financial assets measured<br>at amortized cost | 38,352                   | 4,712            |
|                                                                     | <u>\$ 104,814</u>        | <u>\$ 29,715</u> |



(27) Other income

|                 | Years ended December 31, |                   |
|-----------------|--------------------------|-------------------|
|                 | 2022                     | 2021              |
| Rental revenue  | \$ 85,606                | \$ 60,722         |
| Dividend income | 368,210                  | 98,324            |
| Other income    | 237,611                  | 211,510           |
|                 | <u>\$ 691,427</u>        | <u>\$ 370,556</u> |

(28) Other gains and losses

|                                                                               | Years ended December 31, |                   |
|-------------------------------------------------------------------------------|--------------------------|-------------------|
|                                                                               | 2022                     | 2021              |
| Loss on disposal of property, plant and equipment                             | (\$ 2,051)               | (\$ 2,173)        |
| Gain on disposal of non-current assets held for sale                          | -                        | 457,864           |
| Gain (loss) on disposal of investments                                        | 1,054                    | ( 2,542)          |
| Currency exchange gain                                                        | 404,950                  | 24,410            |
| Gain on financial assets and liabilities at fair value through profit or loss | 3,299                    | 532,742           |
| Gain arising from lease modifications                                         | 9,055                    | 31,709            |
| Depreciation on investment property                                           | ( 32,285)                | ( 31,290)         |
| Impairment losses                                                             | ( 54,263)                | ( 422,041)        |
| Loss on contract of indemnity                                                 | -                        | ( 277,511)        |
| Other losses                                                                  | ( 37,169)                | ( 77,386)         |
|                                                                               | <u>\$ 292,590</u>        | <u>\$ 233,782</u> |

(29) Finance costs

|                                           | Years ended December 31, |                     |
|-------------------------------------------|--------------------------|---------------------|
|                                           | 2022                     | 2021                |
| Interest expense:                         |                          |                     |
| Bank borrowings                           | \$ 4,073,146             | \$ 1,636,782        |
| Less: Capitalization of qualifying assets | ( 439)                   | ( 20)               |
| Lease liabilities                         | 61,841                   | 62,087              |
| Others                                    | 601,687                  | 383,493             |
|                                           | <u>\$ 4,736,235</u>      | <u>\$ 2,082,342</u> |

(30) Additional information of expenses by nature

|                                               | Years ended December 31, |                      |
|-----------------------------------------------|--------------------------|----------------------|
|                                               | 2022                     | 2021                 |
| Employee benefit expense                      | <u>\$ 9,169,973</u>      | <u>\$ 10,420,012</u> |
| Depreciation charges                          |                          |                      |
| Depreciation on property, plant and equipment | \$ 423,041               | \$ 384,425           |
| Depreciation on investment property           | 32,285                   | 31,290               |
| Depreciation on right-of-use assets           | 477,910                  | 483,649              |
|                                               | <u>\$ 933,236</u>        | <u>\$ 899,364</u>    |
| Amortization charges on intangible assets     | <u>\$ 89,646</u>         | <u>\$ 73,717</u>     |

(32) Employee benefit expense

|                                 | Years ended December 31, |                      |
|---------------------------------|--------------------------|----------------------|
|                                 | 2022                     | 2021                 |
| Wages and salaries              | \$ 7,886,806             | \$ 9,256,415         |
| Directors' remuneration         | 53,256                   | 57,823               |
| Share-based payment             | -                        | 17,955               |
| Labor and health insurance fees | 431,959                  | 393,626              |
| Pension costs                   | 435,502                  | 349,930              |
| Other personnel expenses        | 362,450                  | 344,263              |
|                                 | <u>\$ 9,169,973</u>      | <u>\$ 10,420,012</u> |

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be between 0.01%~5% for employees' compensation and shall not be higher than 3% for directors' remuneration.
- B. The Company has established the audit committee, therefore, there was no remuneration paid to supervisors for the years ended December 31, 2022 and 2021.
- C. For the years ended December 31, 2022 and 2021, employees' compensation was accrued at \$77,100 and \$80,700, respectively; while directors' remuneration was accrued at \$53,000 and \$53,000, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were estimated and accrued based on the profit of current year distributable for the year ended December 31, 2022, and the percentage as prescribed by the Company's Articles of Incorporation. As of February 28, 2023, this amount has not been resolved by the Board of Directors. Abovementioned employees' compensation will be distributed in the form of cash.

For 2021, the employees' compensation and directors' remuneration resolved by the Board of Directors during its meeting on March 22, 2022 amounted to \$78,529 and \$49,256, respectively, and the employees' compensation and directors' remuneration recognized in the 2021 financial statements amounted to \$80,700 and \$53,000, respectively. The difference of \$2,171 and \$3,744 between the amounts resolved by the Board of Directors and the amounts recognized in the 2021 financial statements, mainly resulting from the increase in employees' compensation and decrease in directors' remuneration, had been adjusted in profit or loss in the first quarter of 2022. The employees' compensation was distributed in the form of cash.

- D. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors and shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(32) Income tax

A. Income tax expense

(a) Components of income tax expense:

|                                                   | <u>Years ended December 31,</u> |                     |
|---------------------------------------------------|---------------------------------|---------------------|
|                                                   | <u>2022</u>                     | <u>2021</u>         |
| Current tax                                       |                                 |                     |
| Current tax on profits for the year               | \$ 2,144,850                    | \$ 2,480,916        |
| Prior year income tax over estimation             | ( 67,008)                       | ( 23,788)           |
| Tax on undistributed surplus earnings             | 169,291                         | 3,512               |
| Total current tax                                 | <u>2,247,133</u>                | <u>2,460,640</u>    |
| Deferred tax                                      |                                 |                     |
| Origination and reversal of temporary differences | ( 114,235)                      | 66,750              |
| Total deferred tax                                | <u>( 114,235)</u>               | <u>66,750</u>       |
| Income tax expense                                | <u>\$ 2,132,898</u>             | <u>\$ 2,527,390</u> |

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

|                                              | <u>Years ended December 31,</u> |                    |
|----------------------------------------------|---------------------------------|--------------------|
|                                              | <u>2022</u>                     | <u>2021</u>        |
| Currency translation differences             | \$ 11,840                       | (\$ 5,024)         |
| Remeasurement of defined benefit obligations | ( 2,382)                        | ( 32,008)          |
|                                              | <u>\$ 9,458</u>                 | <u>(\$ 37,032)</u> |

B. Reconciliation between income tax expense and accounting profit

|                                                                                  | <u>Years ended December 31,</u> |                     |
|----------------------------------------------------------------------------------|---------------------------------|---------------------|
|                                                                                  | <u>2022</u>                     | <u>2021</u>         |
| Income tax calculated by applying statutory rate to the profit before tax (Note) | \$ 5,119,521                    | \$ 6,163,289        |
| Effects from items disallowed by tax regulation                                  | ( 3,056,256)                    | ( 3,593,826)        |
| Prior year income tax over estimation                                            | ( 67,008)                       | ( 23,788)           |
| Tax on undistributed earnings                                                    | 169,291                         | 3,512               |
| Others                                                                           | ( 32,650)                       | ( 21,797)           |
| Income tax expense                                                               | <u>\$ 2,132,898</u>             | <u>\$ 2,527,390</u> |

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

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

|                                                                           | 2022              |                                    |                                                   |                                       |                   |
|---------------------------------------------------------------------------|-------------------|------------------------------------|---------------------------------------------------|---------------------------------------|-------------------|
|                                                                           | At<br>January 1   | Recognized<br>in profit<br>or loss | Recognized<br>in other<br>comprehensive<br>income | Effect of<br>exchange rate<br>changes | At<br>December 31 |
| Temporary differences:                                                    |                   |                                    |                                                   |                                       |                   |
| — Deferred tax assets:                                                    |                   |                                    |                                                   |                                       |                   |
| Unrealized inventory<br>valuation loss                                    | \$ 61,282         | \$ 34,993                          | \$ -                                              | (\$ 39)                               | \$ 96,236         |
| Unrealized sales discounts<br>and allowances                              | 97,878            | 28,694                             | -                                                 | 10                                    | 126,582           |
| Unrealized exchange loss                                                  | 7,316             | 39,805                             | -                                                 | -                                     | 47,121            |
| Amount of allowance for<br>loss in excess of the limit<br>for tax purpose | 37,018            | 2,917                              | -                                                 | 383                                   | 40,318            |
| Unrealized expenses                                                       | 111,798           | ( 12,917)                          | -                                                 | 449                                   | 99,330            |
| Investment losses                                                         | 25,027            | 22,347                             | -                                                 | -                                     | 47,374            |
| Pensions                                                                  | 119,595           | ( 16,396)                          | 2,878                                             | -                                     | 106,077           |
| Cumulative translation<br>adjustment                                      | 25,700            | -                                  | ( 10,580)                                         | -                                     | 15,120            |
| Others                                                                    | 21,152            | 10,922                             | -                                                 | 1,243                                 | 33,317            |
| Tax losses                                                                | <u>124,320</u>    | <u>( 7,459)</u>                    | <u>-</u>                                          | <u>13,256</u>                         | <u>130,117</u>    |
|                                                                           | <u>631,086</u>    | <u>102,906</u>                     | <u>( 7,702)</u>                                   | <u>15,302</u>                         | <u>741,592</u>    |
| Temporary differences:                                                    |                   |                                    |                                                   |                                       |                   |
| — Deferred tax liabilities:                                               |                   |                                    |                                                   |                                       |                   |
| Investment income                                                         | ( 553,134)        | 22,058                             | -                                                 | ( 1,890)                              | ( 532,966)        |
| Provision for building<br>valuation increment                             | ( 23,905)         | -                                  | -                                                 | -                                     | ( 23,905)         |
| Land value increment tax                                                  | ( 30,156)         | -                                  | -                                                 | -                                     | ( 30,156)         |
| Pensions                                                                  | ( 2,519)          | ( 17)                              | ( 495)                                            | -                                     | ( 3,031)          |
| Others                                                                    | ( 18,924)         | ( 10,712)                          | ( 1,261)                                          | ( 507)                                | ( 31,404)         |
|                                                                           | <u>( 628,638)</u> | <u>11,329</u>                      | <u>( 1,756)</u>                                   | <u>( 2,397)</u>                       | <u>( 621,462)</u> |
| Total                                                                     | <u>\$ 2,448</u>   | <u>\$ 114,235</u>                  | <u>(\$ 9,458)</u>                                 | <u>\$ 12,905</u>                      | <u>\$ 120,130</u> |

|                                                                           | 2021             |                                    |                                                   |                                       |                   |
|---------------------------------------------------------------------------|------------------|------------------------------------|---------------------------------------------------|---------------------------------------|-------------------|
|                                                                           | At<br>January 1  | Recognized<br>in profit<br>or loss | Recognized<br>in other<br>comprehensive<br>income | Effect of<br>exchange rate<br>changes | At<br>December 31 |
| Temporary differences:                                                    |                  |                                    |                                                   |                                       |                   |
| — Deferred tax assets:                                                    |                  |                                    |                                                   |                                       |                   |
| Unrealized inventory<br>valuation loss                                    | \$ 39,511        | \$ 22,549                          | \$ -                                              | (\$ 778)                              | \$ 61,282         |
| Unrealized sales discounts<br>and allowances                              | 58,079           | 39,799                             | -                                                 | -                                     | 97,878            |
| Unrealized exchange loss                                                  | 22,094           | ( 14,778)                          | -                                                 | -                                     | 7,316             |
| Amount of allowance for<br>loss in excess of the limit<br>for tax purpose | 20,587           | ( 1,183)                           | -                                                 | 17,614                                | 37,018            |
| Unrealized expenses                                                       | 87,316           | 45,942                             | -                                                 | ( 21,460)                             | 111,798           |
| Investment losses                                                         | 15,042           | 9,985                              | -                                                 | -                                     | 25,027            |
| Pensions                                                                  | 109,074          | ( 20,851)                          | 31,372                                            | -                                     | 119,595           |
| Cumulative translation<br>adjustment                                      | 20,675           | -                                  | 5,025                                             | -                                     | 25,700            |
| Others                                                                    | 46,630           | ( 26,242)                          | -                                                 | 764                                   | 21,152            |
| Tax losses                                                                | <u>115,826</u>   | <u>11,864</u>                      | <u>-</u>                                          | <u>( 3,370)</u>                       | <u>124,320</u>    |
|                                                                           | <u>534,834</u>   | <u>67,085</u>                      | <u>36,397</u>                                     | <u>( 7,230)</u>                       | <u>631,086</u>    |
| Temporary differences:                                                    |                  |                                    |                                                   |                                       |                   |
| — Deferred tax liabilities:                                               |                  |                                    |                                                   |                                       |                   |
| Investment income                                                         | ( 428,130)       | ( 124,899)                         | -                                                 | ( 105)                                | ( 553,134)        |
| Provision for building<br>valuation increment                             | ( 23,905)        | -                                  | -                                                 | -                                     | ( 23,905)         |
| Land value increment tax                                                  | ( 30,156)        | -                                  | -                                                 | -                                     | ( 30,156)         |
| Pensions                                                                  | ( 2,831)         | ( 323)                             | 635                                               | -                                     | ( 2,519)          |
| Others                                                                    | ( 10,949)        | ( 8,613)                           | -                                                 | 638                                   | ( 18,924)         |
|                                                                           | ( 495,971)       | ( 133,835)                         | 635                                               | 533                                   | ( 628,638)        |
| Total                                                                     | <u>\$ 38,863</u> | <u>(\$ 66,750)</u>                 | <u>\$ 37,032</u>                                  | <u>(\$ 6,697)</u>                     | <u>\$ 2,448</u>   |

D. The amounts of deductible temporary differences and tax losses that were not recognized as deferred tax assets are as follows:

|                                  | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------------|--------------------------|--------------------------|
| Deductible temporary differences | <u>\$ 45,760</u>         | <u>\$ 40,937</u>         |
| Tax losses                       | <u>\$ 727,094</u>        | <u>\$ 852,901</u>        |

The deductible temporary differences belong to subsidiaries that cannot be realized as deferred tax assets in the near future.

E. As of February 28, 2023, the Company's income tax returns through 2017 have been assessed and approved by the Tax Authority.

(33) Earnings per share

| Year ended December 31, 2022                                                          |                      |                                                                                       |                                       |
|---------------------------------------------------------------------------------------|----------------------|---------------------------------------------------------------------------------------|---------------------------------------|
|                                                                                       | Amount after tax     | Weighted average<br>number of ordinary<br>shares outstanding<br>(shares in thousands) | Earnings per<br>share<br>(in dollars) |
| <u>Basic earnings per share</u>                                                       |                      |                                                                                       |                                       |
| Profit attributable to ordinary shareholders of the parent                            | \$ 10,512,466        |                                                                                       |                                       |
| Less: Dividends of preference stock                                                   | ( 400,000)           |                                                                                       |                                       |
| Profit used to calculate basic earnings per share/weighted-average number of shares   | <u>\$ 10,112,466</u> | <u>1,679,057</u>                                                                      | <u>\$ 6.02</u>                        |
| <u>Diluted earnings per share</u>                                                     |                      |                                                                                       |                                       |
| Profit attributable to ordinary shareholders of the parent                            | \$ 10,512,466        |                                                                                       |                                       |
| Less: Dividends of preference stock                                                   | ( 400,000)           |                                                                                       |                                       |
| Profit used to calculate basic earnings per share/weighted-average number of shares   | 10,112,466           | 1,679,057                                                                             |                                       |
| Assumed conversion of all dilutive potential ordinary shares                          |                      |                                                                                       |                                       |
| Employees' compensation                                                               | -                    | 1,902                                                                                 |                                       |
| Profit used to calculate diluted earnings per share/weighted-average number of shares | <u>\$ 10,112,466</u> | <u>1,680,959</u>                                                                      | <u>\$ 6.02</u>                        |
| Year ended December 31, 2021                                                          |                      |                                                                                       |                                       |
|                                                                                       | Amount after tax     | Weighted average<br>number of ordinary<br>shares outstanding<br>(shares in thousands) | Earnings per<br>share<br>(in dollars) |
| <u>Basic earnings per share</u>                                                       |                      |                                                                                       |                                       |
| Profit attributable to ordinary shareholders of the parent                            | \$ 11,496,933        |                                                                                       |                                       |
| Less: Dividends of preference stock                                                   | ( 400,000)           |                                                                                       |                                       |
| Profit used to calculate basic earnings per share/weighted-average number of shares   | <u>\$ 11,096,933</u> | <u>1,679,057</u>                                                                      | <u>\$ 6.61</u>                        |
| <u>Diluted earnings per share</u>                                                     |                      |                                                                                       |                                       |
| Profit attributable to ordinary shareholders of the parent                            | \$ 11,496,933        |                                                                                       |                                       |
| Less: Dividends of preference stock                                                   | ( 400,000)           |                                                                                       |                                       |
| Profit used to calculate basic earnings per share/weighted-average number of shares   | 11,096,933           | 1,679,057                                                                             |                                       |
| Assumed conversion of all dilutive potential ordinary shares                          |                      |                                                                                       |                                       |
| Employees' compensation                                                               | -                    | 1,808                                                                                 |                                       |
| Profit used to calculate diluted earnings per share/weighted-average number of shares | <u>\$ 11,096,933</u> | <u>1,680,865</u>                                                                      | <u>\$ 6.60</u>                        |

(34) Transactions with non-controlling interest

A. Acquisition of additional equity interest in a subsidiary

The Group acquired 1,738,000 shares of supplemental issuance of shares of the subsidiary, Trigold Holdings Limited (Trigold), by cash amounting to \$48,952 in September, October and November 2021. The carrying amounts of non-controlling interest in Trigold Holdings Limited were \$623,998, \$775,939 and \$839,286 at the acquisition date. This transaction decreased non-controlling interest and equity attributable to owners of the parent by \$34,789 and \$14,163, respectively. The effect of changes in interests in Trigold Holdings Limited on the equity attributable to owners of the parent for the year ended December 31, 2021 is shown below:

|                                                                                                                                      | <u>Year ended December 31, 2021</u> |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| Carrying amount of non-controlling interest acquired                                                                                 | \$ 34,789                           |
| Consideration paid to non-controlling interest                                                                                       | <u>48,952</u>                       |
| Difference between consideration and carrying amount of subsidiaries acquired or disposed (shown as deductions on retained earnings) | (\$ <u>14,163</u> )                 |

B. The Group did not participate in the capital increase raised by a subsidiary proportionally to its interest to the subsidiary

The Group's subsidiary, Trigold Holdings Limited, increased its capital by issuing new shares on September 14, 2021. Accordingly, the Group's equity interest decreased by 1.64% because the Group did not participate in the capital increase proportionally to its interest, resulting in an increase on the equity attributable to owners of the parent by \$2,563 (shown as capital surplus).

C. During the year ended December 31, 2022, the Group had no transaction made with non-controlling interest.

(35) Supplemental cash flow information

Partial payment of cash from investing activities

|                                                                                         | <u>Years ended December 31,</u> |                     |
|-----------------------------------------------------------------------------------------|---------------------------------|---------------------|
|                                                                                         | <u>2022</u>                     | <u>2021</u>         |
| Acquisition of property, plant and equipment, investment property and intangible assets | \$ 536,832                      | \$ 2,235,053        |
| Add: Accounts payable at the beginning of the year                                      | 46,632                          | 102,232             |
| Prepayments for business facilities at the end of the year                              | 4,846                           | 1,627               |
| Less: Accounts payable at the end of year                                               | ( 18,312)                       | ( 46,632)           |
| Prepayments for business facilities at the beginning of the year                        | ( <u>1,627</u> )                | ( <u>416,570</u> )  |
| Cash paid during the year                                                               | <u>\$ 568,371</u>               | <u>\$ 1,875,710</u> |

(36) Changes in liabilities from financing activities

|                                                      | Short-term<br>borrowings | Short-term<br>notes and<br>bills payable | Long-term<br>borrowings<br>(Note) | Lease<br>liabilities | Liabilities<br>from financing<br>activities-gross |
|------------------------------------------------------|--------------------------|------------------------------------------|-----------------------------------|----------------------|---------------------------------------------------|
| At January 1, 2022                                   | \$82,334,562             | \$7,444,815                              | \$31,597,338                      | \$1,498,928          | \$122,875,643                                     |
| Changes in cash flow<br>from financing<br>activities | ( 1,815,571)             | ( 2,102,556)                             | 12,868,807                        | ( 435,552)           | 8,515,128                                         |
| Others                                               | -                        | -                                        | -                                 | 1,623,453            | 1,623,453                                         |
| At December 31, 2022                                 | <u>\$80,518,991</u>      | <u>\$5,342,259</u>                       | <u>\$44,466,145</u>               | <u>\$2,686,829</u>   | <u>\$133,014,224</u>                              |
|                                                      | Short-term<br>borrowings | Short-term<br>notes and<br>bills payable | Long-term<br>borrowings<br>(Note) | Lease<br>liabilities | Liabilities<br>from financing<br>activities-gross |
| At January 1, 2021                                   | \$59,040,547             | \$4,941,505                              | \$25,063,493                      | \$1,695,108          | \$ 90,740,653                                     |
| Changes in cash flow<br>from financing<br>activities | 23,294,015               | 2,503,310                                | 6,533,845                         | ( 450,119)           | 31,881,051                                        |
| Others                                               | -                        | -                                        | -                                 | 253,939              | 253,939                                           |
| At December 31, 2021                                 | <u>\$82,334,562</u>      | <u>\$7,444,815</u>                       | <u>\$31,597,338</u>               | <u>\$1,498,928</u>   | <u>\$122,875,643</u>                              |

Note: Including long-term borrowings-current portion less unamortized discounts.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Group's shares are widely held so the Company has no ultimate parent and ultimate controlling party.

(2) Names of related parties and relationship

| <u>Names of related parties</u>          | <u>Relationship with the Group</u>                                    |
|------------------------------------------|-----------------------------------------------------------------------|
| Chain Power Technology Corp.             | Investee accounted for using equity method                            |
| Supply Consultants Limited               | "                                                                     |
| VITEC WPG Limited                        | "                                                                     |
| Gain Tune Logistics (Shanghai) Co., Ltd. | "                                                                     |
| WT Microelectronics Co., Ltd.            | "                                                                     |
| Autosys (TW) Co., Ltd.                   | Subsidiary of investee accounted for using equity method              |
| HongTech Electronics Co., Ltd.           | "                                                                     |
| Maxtek Technology Co., Ltd.              | "                                                                     |
| Morrihan International Corp.             | "                                                                     |
| WT Microelectronics (Hong Kong) Limited  | "                                                                     |
| NuVision Technology, Inc.                | "                                                                     |
| WPG P.T. Electrindo Jaya                 | Stockholder of a Group's subsidiary accounted for using equity method |



| <u>Names of related parties</u>       | <u>Relationship with the Group</u>                                     |
|---------------------------------------|------------------------------------------------------------------------|
| WPG Holdings Education Foundation     | One third of paid-in-capital was granted by the Group                  |
| Taiwan Industrial Holding Association | The chairman of the association and chairman of the Group are the same |

(3) Significant transactions and balances with related parties

A. Operating revenues

|                | <u>Years ended December 31,</u> |                     |
|----------------|---------------------------------|---------------------|
|                | <u>2022</u>                     | <u>2021</u>         |
| Sales of goods |                                 |                     |
| Others         | \$ 763,885                      | \$ 897,426          |
| Associates     | 1,654,976                       | 698,312             |
|                | <u>\$ 2,418,861</u>             | <u>\$ 1,595,738</u> |

The terms and sales prices with other related parties were negotiated in consideration of different factors including product, cost, market, competition and other conditions. The collection period was 90 days. Terms and sales prices with associates are in accordance with normal selling prices and terms of collection.

B. Purchases

|                    | <u>Years ended December 31,</u> |              |
|--------------------|---------------------------------|--------------|
|                    | <u>2022</u>                     | <u>2021</u>  |
| Purchases of goods |                                 |              |
| Associates         | \$ 1,985,326                    | \$ 1,554,815 |

The purchase prices and terms of payment for associates including products, market competition and other conditions are the same as those for general suppliers.

C. Receivables from related parties

|                     | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|---------------------|--------------------------|--------------------------|
| Accounts receivable |                          |                          |
| Others              | \$ 5,105                 | \$ 178,504               |
| Associates          | 196,986                  | 104,113                  |
|                     | <u>\$ 202,091</u>        | <u>\$ 282,617</u>        |

The receivables from related parties arise mainly from sales of goods. The receivables are due 30 to 90 days after the date of sale. The receivables are unsecured in nature and bear no interest. There is no allowance for doubtful accounts held against receivables from related parties.

D. Other receivables

|                   | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-------------------|--------------------------|--------------------------|
| Other receivables |                          |                          |
| Associates        | \$ 42,788                | \$ 3,691                 |

Other receivables from associates refer to payments on behalf of others and purchases paid on behalf of others, etc.

E. Payables to related parties

|                  | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|------------------|--------------------------|--------------------------|
| Accounts payable |                          |                          |
| Associates       | <u>\$ 159,704</u>        | <u>\$ 362,228</u>        |

The payables to related parties arise mainly from purchases of goods. The payables are due 30 to 90 days after the date of purchase. The payables are unsecured in nature and bear no interest.

F. Endorsements and guarantees provided to related parties

|                   | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-------------------|--------------------------|--------------------------|
| Associates        |                          |                          |
| VITEC WPG Limited | <u>\$ 69,097</u>         | <u>\$ 124,560</u>        |

G. Others

|                                       | <u>Years ended December 31,</u> |                 |
|---------------------------------------|---------------------------------|-----------------|
|                                       | <u>2022</u>                     | <u>2021</u>     |
| Other related parties                 |                                 |                 |
| WPG Holding Education Foundation      | \$ 6,150                        | \$ 6,000        |
| Taiwan Industrial Holding Association | 2,500                           | -               |
|                                       | <u>\$ 8,650</u>                 | <u>\$ 6,000</u> |

(4) Key management compensation

|                                                 | <u>Years ended December 31,</u> |                   |
|-------------------------------------------------|---------------------------------|-------------------|
|                                                 | <u>2022</u>                     | <u>2021</u>       |
| Salaries and other short-term employee benefits | \$ 296,498                      | \$ 324,322        |
| Post-employment benefits                        | 4,465                           | 3,617             |
|                                                 | <u>\$ 300,963</u>               | <u>\$ 327,939</u> |

8. PLEDGED ASSETS

| <u>Pledged assets (Note 1)</u>                                              | <u>December 31, 2022</u> | <u>December 31, 2021</u> | <u>Purpose of Collateral</u>                                             |
|-----------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------------------------------------------------------|
| Financial assets at amortized cost-current                                  |                          |                          |                                                                          |
| -Time deposits                                                              | \$ 48,598                | \$ 45,813                | Security for purchases and time deposit for performance bond             |
| Financial assets at fair value though profit or loss - non-current (Note 2) | -                        | 4,414                    | Security for purchases                                                   |
| Property, plant and equipment (including investment property)               |                          |                          |                                                                          |
| -Land                                                                       | 5,115,948                | 5,115,948                | Long-term and short-term borrowings guarantee and security for purchases |
| -Buildings and structures                                                   | 2,446,465                | 2,451,329                | "                                                                        |
|                                                                             | <u>\$ 7,611,011</u>      | <u>\$ 7,617,504</u>      |                                                                          |

Note 1: The Company held 100% of shares of WPG Investment Co., Ltd., in which 8,999 thousand shares have been pledged for purchases as of December 31, 2022 and 2021.

Note 2: As of December 31, 2021, the subsidiary - Silicon Application Corporation held 566 thousand shares of Kingmax Semiconductor Inc., which have been pledged for purchases; December 31, 2022, None.

#### 9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

In addition to Note 6(6), other commitments were as follows:

##### (1) Contingencies

None.

##### (2) Commitments

A. The Group's letters of credit issued but not negotiated are as follows:

|     | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-----|--------------------------|--------------------------|
| \$  | 1,285,000                | \$ 1,285,000             |
| USD | 123,302,000              | USD 148,651,000          |

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

|                               | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-------------------------------|--------------------------|--------------------------|
| Property, plant and equipment | \$ -                     | \$ 38,277                |

C. As of December 31, 2022, the remaining payments for the contract of non-fixed car park the Group entered into amounted to \$68,400.

D. As of December 31, 2022, the unpaid payables arising from the service contracts signed for computer facilities, internet and information security maintenance amounted to \$59,850.

#### 10. SIGNIFICANT DISASTER LOSS

None.

#### 11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On January 17, 2023, the Board of Directors of the subsidiary, Silicon Application Corporation, resolved the following: (1) Acquire the group equity interest and related operating assets of VSELL, for a total consideration of \$650,000, (2) Acquire a 100% equity interest of VSELL Enterprise Co., Ltd. (Shanghai) for a consideration RMB 12,371 thousand in USD equivalent and increase its capital in the amount of USD 11,780 thousand, and (3) Acquire the common shares of VSELL Enterprise Co., Ltd., for a consideration of \$451,338. As of February 28, 2023, the above transactions have not yet been completed.

#### 12. OTHERS

##### (1) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the

Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or effectively use the working capital.

(2) Financial instruments

A. Financial instruments by category

|                                                                            | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------------------------------------------------------|--------------------------|--------------------------|
| <u>Financial assets</u>                                                    |                          |                          |
| Financial assets measured at fair value through profit or loss             |                          |                          |
| Financial assets mandatorily measured at fair value through profit or loss | \$ 1,730,492             | \$ 1,928,496             |
| Financial assets at fair value through other comprehensive income          |                          |                          |
| Designation of equity instrument                                           | \$ 3,341,083             | \$ 3,321,562             |
| Financial assets at amortized cost                                         |                          |                          |
| Cash and cash equivalents                                                  | \$ 16,597,342            | \$ 14,407,940            |
| Financial assets at amortized cost                                         | 1,874,813                | 1,658,432                |
| Notes receivable                                                           | 2,427,415                | 2,741,202                |
| Accounts receivable (including related parties)                            | 118,239,940              | 131,650,945              |
| Other receivables (including related parties)                              | 20,009,977               | 7,177,972                |
| Guarantee deposits paid                                                    | 288,045                  | 217,547                  |
| Other financial assets                                                     | 1,640,624                | 684,888                  |
|                                                                            | <u>\$ 161,078,156</u>    | <u>\$ 158,538,926</u>    |
| <u>Financial liabilities</u>                                               |                          |                          |
| Financial liabilities measured at fair value through profit or loss        |                          |                          |
| Financial liabilities held for trading                                     | \$ 4,148                 | \$ 7,068                 |
| Financial liabilities at amortized cost                                    |                          |                          |
| Short-term borrowings                                                      | \$ 80,518,991            | \$ 84,334,562            |
| Short-term notes and bills payable                                         | 5,342,259                | 7,444,815                |
| Notes payable                                                              | 15,456                   | 21,484                   |
| Accounts payable (including related parties)                               | 81,337,139               | 75,915,147               |
| Other payables                                                             | 12,961,435               | 10,598,704               |
| Long-term borrowings (including current portion)                           | 44,466,145               | 31,597,338               |
| Guarantee deposits received                                                | 145,123                  | 253,742                  |
|                                                                            | <u>\$ 224,786,548</u>    | <u>\$ 208,165,792</u>    |
| Lease liabilities                                                          | <u>\$ 2,686,829</u>      | <u>\$ 1,498,928</u>      |

B. 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. To minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts, are used to hedge certain exchange rate risk. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.
- (b) Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, 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 are 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 currency, primarily with respect to the USD and RMB. Exchange rate risk arises from future commercial transactions and recognized assets and liabilities.
- ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and RMB expenditures. Forward foreign exchange contracts are adopted to minimize the volatility of the exchange rate affecting cost of forecast inventory purchase.
- iii. The Group hedges foreign exchange rate by using forward exchange contracts. However, the Group does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Note 6(2).
- iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain foreign subsidiaries' functional currency: local currency). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

| December 31, 2022                          |                                              |               |                     |
|--------------------------------------------|----------------------------------------------|---------------|---------------------|
|                                            | Foreign currency<br>amount<br>(in thousands) | Exchange rate | Book value<br>(NTD) |
| (Foreign currency:<br>functional currency) |                                              |               |                     |
| <u>Financial assets</u>                    |                                              |               |                     |
| <u>Monetary items</u>                      |                                              |               |                     |
| USD : TWD                                  | \$ 787,750                                   | 30.71         | \$ 24,191,791       |
| USD : RMB                                  | 24,547                                       | 6.97          | 753,830             |
| USD : KRW                                  | 32,422                                       | 1,267.30      | 995,668             |
| USD : JPY                                  | 4,566                                        | 132.14        | 140,230             |
| HKD : USD                                  | 53,895                                       | 0.13          | 212,238             |
| RMB : TWD                                  | 60,553                                       | 4.41          | 266,917             |
| RMB : USD                                  | 525,128                                      | 0.14          | 2,314,766           |
| <u>Non-monetary items</u>                  |                                              |               |                     |
| RMB : USD                                  | 35,147                                       | 0.14          | 154,930             |
| <u>Financial liabilities</u>               |                                              |               |                     |
| <u>Monetary items</u>                      |                                              |               |                     |
| USD : TWD                                  | 781,311                                      | 30.71         | 23,994,067          |
| USD : RMB                                  | 44,734                                       | 6.97          | 1,373,772           |
| USD : KRW                                  | 23,683                                       | 1,267.30      | 727,318             |
| USD : INR                                  | 11,672                                       | 82.75         | 358,453             |
| HKD : USD                                  | 34,320                                       | 0.13          | 135,152             |
| RMB : TWD                                  | 60,392                                       | 4.41          | 266,209             |
| RMB : USD                                  | 167,901                                      | 0.14          | 740,107             |
| EUR : USD                                  | 3,093                                        | 1.07          | 101,189             |

| December 31, 2021                          |                            |               |               |
|--------------------------------------------|----------------------------|---------------|---------------|
| (Foreign currency:<br>functional currency) | Foreign currency<br>amount | Exchange rate | Book value    |
|                                            | (in thousands)             |               | (NTD)         |
| <u>Financial assets</u>                    |                            |               |               |
| <u>Monetary items</u>                      |                            |               |               |
| USD : TWD                                  | \$ 888,770                 | 27.68         | \$ 24,601,141 |
| USD : RMB                                  | 22,730                     | 6.37          | 629,160       |
| USD : KRW                                  | 40,307                     | 1,186.60      | 1,115,704     |
| HKD : USD                                  | 61,818                     | 0.13          | 219,394       |
| RMB : USD                                  | 668,216                    | 0.16          | 2,902,731     |
| <u>Non-monetary items</u>                  |                            |               |               |
| RMB : USD                                  | 32,512                     | 0.16          | 141,232       |
| <u>Financial liabilities</u>               |                            |               |               |
| <u>Monetary items</u>                      |                            |               |               |
| USD : TWD                                  | 869,211                    | 27.68         | 24,059,751    |
| USD : RMB                                  | 101,758                    | 6.37          | 2,816,649     |
| USD : KRW                                  | 34,651                     | 1,186.60      | 959,150       |
| USD : INR                                  | 10,871                     | 74.62         | 300,909       |
| HKD : USD                                  | 52,829                     | 0.13          | 187,489       |
| RMB : USD                                  | 670,295                    | 0.16          | 2,911,762     |
| SGD : USD                                  | 7,941                      | 0.74          | 162,482       |

- v. The total exchange gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the years ended December 31, 2022 and 2021 amounted to \$404,950 and \$24,410, respectively.

- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

| Year ended December 31, 2022            |                     |                          |                                      |   |
|-----------------------------------------|---------------------|--------------------------|--------------------------------------|---|
| Sensitivity Analysis                    |                     |                          |                                      |   |
|                                         | Degree of Variation | Effect on Profit or Loss | Effect on Other Comprehensive Income |   |
| (Foreign currency: functional currency) |                     |                          |                                      |   |
| <u>Financial assets</u>                 |                     |                          |                                      |   |
| <u>Monetary items</u>                   |                     |                          |                                      |   |
| USD : TWD                               | 1%                  | \$ 241,918               | \$                                   | - |
| USD : RMB                               | 1%                  | 7,538                    |                                      | - |
| USD : KRW                               | 1%                  | 9,957                    |                                      | - |
| USD : JPY                               | 1%                  | 1,402                    |                                      | - |
| HKD : USD                               | 1%                  | 2,122                    |                                      | - |
| RMB : TWD                               | 1%                  | 2,669                    |                                      | - |
| RMB : USD                               | 1%                  | 23,148                   |                                      | - |
| <u>Financial liabilities</u>            |                     |                          |                                      |   |
| <u>Monetary items</u>                   |                     |                          |                                      |   |
| USD : TWD                               | 1%                  | 239,941                  |                                      | - |
| USD : RMB                               | 1%                  | 13,738                   |                                      | - |
| USD : KRW                               | 1%                  | 7,273                    |                                      | - |
| USD : INR                               | 1%                  | 3,585                    |                                      | - |
| HKD : USD                               | 1%                  | 1,352                    |                                      | - |
| RMB : TWD                               | 1%                  | 2,662                    |                                      | - |
| RMB : USD                               | 1%                  | 7,401                    |                                      | - |
| EUR : USD                               | 1%                  | 1,012                    |                                      | - |



| Year ended December 31, 2021               |                        |                             |                                            |   |
|--------------------------------------------|------------------------|-----------------------------|--------------------------------------------|---|
| Sensitivity Analysis                       |                        |                             |                                            |   |
|                                            | Degree of<br>Variation | Effect on<br>Profit or Loss | Effect on Other<br>Comprehensive<br>Income |   |
| (Foreign currency:<br>functional currency) |                        |                             |                                            |   |
| <u>Financial assets</u>                    |                        |                             |                                            |   |
| <u>Monetary items</u>                      |                        |                             |                                            |   |
| USD : TWD                                  | 1%                     | \$ 246,011                  | \$                                         | - |
| USD : RMB                                  | 1%                     | 6,292                       |                                            | - |
| USD : KRW                                  | 1%                     | 11,157                      |                                            | - |
| HKD : USD                                  | 1%                     | 2,194                       |                                            | - |
| RMB : USD                                  | 1%                     | 29,027                      |                                            | - |
| <u>Financial liabilities</u>               |                        |                             |                                            |   |
| <u>Monetary items</u>                      |                        |                             |                                            |   |
| USD : TWD                                  | 1%                     | 240,598                     |                                            | - |
| USD : RMB                                  | 1%                     | 28,166                      |                                            | - |
| USD : KRW                                  | 1%                     | 9,591                       |                                            | - |
| USD : INR                                  | 1%                     | 3,009                       |                                            | - |
| HKD : USD                                  | 1%                     | 1,875                       |                                            | - |
| RMB : USD                                  | 1%                     | 29,118                      |                                            | - |
| SGD : USD                                  | 1%                     | 1,625                       |                                            | - |

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- ii. Shares and open-end funds which the Group invested are issued by the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by \$17,258 and \$19,270, 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 \$33,411 and \$33,216, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

#### Cash flow and fair value interest rate risk

- i. The Group's main interest rate risk arises from short-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. For the years ended December 31, 2022 and 2021, the Group's borrowings at variable rate were mainly denominated in New Taiwan dollars, US dollars and Korean won.
  - ii. If the borrowing interest rate had increased by 1% with all other variables held constant, profit, net of tax for the years ended December 31, 2022 and 2021 would have decreased by \$428,231 and \$237,659, respectively. The main factor is that changes in interest expense result from floating rate borrowings.
- (b) Credit risk
- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of notes receivable.
  - ii. The Group manages its credit risk taking into consideration the entire group's concern. For banks and financial institutions, only independently rated parties with good rating are accepted. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.
  - iii. Under IFRS 9, if the contract payments are past due over one month based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
  - iv. The default occurs when the contract payments are past due more than five months.
  - v. The Group classifies customer's accounts receivable in accordance with credit rating of customer and customer types. The Group applies the simplified approach using the provision matrix based on the loss rate methodology to estimate expected credit loss.
  - vi. 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.
  - vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. On December 31, 2022 and 2021, the provision matrix and loss rate methodology are as follows:

(i) Accounts receivable from general customers:

|                          | Not<br>past due | One month<br>past due | Two months<br>past due | Three months<br>past due | Four months<br>past due | Over four<br>months<br>past due | Total         |
|--------------------------|-----------------|-----------------------|------------------------|--------------------------|-------------------------|---------------------------------|---------------|
| <u>December 31, 2022</u> |                 |                       |                        |                          |                         |                                 |               |
| Expected loss rate       | 0%~<br>3.3%     | 0%~<br>83.33%         | 1.2%~<br>100%          | 4.68%~<br>100%           | 40.9%~<br>100%          | 100%                            |               |
| Total book value         | \$ 63,302,121   | \$ 3,777,615          | \$ 372,890             | \$ 103,778               | \$ 38,770               | \$ 421,991                      | \$ 68,017,165 |
| Loss allowance           | \$ 66,103       | \$ 61,780             | \$ 48,654              | \$ 31,581                | \$ 15,286               | \$ 420,026                      | \$ 643,430    |

|                          | Not<br>past due | One month<br>past due | Two months<br>past due | Three months<br>past due | Four months<br>past due | Over four<br>months<br>past due | Total         |
|--------------------------|-----------------|-----------------------|------------------------|--------------------------|-------------------------|---------------------------------|---------------|
| <u>December 31, 2021</u> |                 |                       |                        |                          |                         |                                 |               |
| Expected loss rate       | 0%~<br>3.69%    | 0.03%~<br>58.33%      | 0.33%~<br>91.67%       | 16.42%~<br>100%          | 40.9%~<br>100%          | 100%                            |               |
| Total book value         | \$ 70,022,920   | \$ 2,774,995          | \$ 188,649             | \$ 49,356                | \$ 4,549                | \$ 406,358                      | \$ 73,446,827 |
| Loss allowance           | \$ 94,969       | \$ 59,706             | \$ 40,071              | \$ 16,441                | \$ 2,687                | \$ 406,104                      | \$ 619,978    |

(ii) Individually impaired and provisioned allowance for loss

|                  | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|------------------|--------------------------|--------------------------|
| Total book value | \$ 5,549                 | \$ 58,495                |
| Loss allowance   | \$ -                     | \$ 51,946                |

(iii) For customers whose current ratio, debt ratio, earnings, etc. are within a certain range:

|                    | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|--------------------|--------------------------|--------------------------|
| Expected loss rate | 0%                       | 0%                       |
| Total book value   | \$ 50,658,565            | \$ 58,534,930            |
| Loss allowance     | \$ -                     | \$ -                     |

viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

|                                           | <u>2022</u>             |                         |                    |            |            |
|-------------------------------------------|-------------------------|-------------------------|--------------------|------------|------------|
|                                           | Notes<br>receivable     | Accounts receivable     |                    |            |            |
|                                           | Individual<br>provision | Individual<br>provision | Group<br>provision | Subtotal   | Total      |
| At January 1                              | \$ 4                    | \$ 51,946               | \$ 619,978         | \$ 671,924 | \$ 671,928 |
| (Reversal of) provision<br>for impairment | ( 4)                    | ( 36,408)               | 212,331            | 175,923    | 175,919    |
| Write-offs during the year                | -                       | -                       | ( 30,046)          | ( 30,046)  | ( 30,046)  |
| Effect of foreign exchange                | -                       | 2,519                   | 55,456             | 57,975     | 57,975     |
| Transfers into overdue<br>receivables     | -                       | ( 18,057)               | ( 214,289)         | ( 232,346) | ( 232,346) |
| At December 31                            | \$ -                    | \$ -                    | \$ 643,430         | \$ 643,430 | \$ 643,430 |

|                                    | Notes receivable     |                      | Accounts receivable |            |            |
|------------------------------------|----------------------|----------------------|---------------------|------------|------------|
|                                    | Individual provision | Individual provision | Group provision     | Subtotal   | Total      |
| At January 1                       | \$ 2                 | \$ 16,417            | \$ 701,855          | \$ 718,272 | \$ 718,274 |
| Provision (reversal of)            |                      |                      |                     |            |            |
| for impairment                     | 3                    | 38,217               | ( 18,374)           | 19,843     | 19,846     |
| Write-offs during the year         | -                    | -                    | 5,763               | 5,763      | 5,763      |
| Effect of foreign exchange (       | 1) (                 | 2,688) (             | 17,511) (           | 20,199) (  | 20,200)    |
| Transfers into overdue receivables | -                    | -                    | ( 51,755)           | ( 51,755)  | ( 51,755)  |
| At December 31                     | \$ 4                 | \$ 51,946            | \$ 619,978          | \$ 671,924 | \$ 671,928 |

## (c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group. Each treasury department monitors rolling forecasts of the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

| <u>December 31, 2022</u>                                            | <u>Less than 1 year</u> | <u>Between 1 and 2 years</u> | <u>Between 2 and 5 years</u> | <u>Over 5 years</u> |
|---------------------------------------------------------------------|-------------------------|------------------------------|------------------------------|---------------------|
| Short-term borrowings                                               | \$ 80,879,673           | \$ -                         | \$ -                         | \$ -                |
| Short-term notes and bills payable                                  | 5,350,000               | -                            | -                            | -                   |
| Financial liabilities measured at fair value through profit or loss | 4,148                   | -                            | -                            | -                   |
| Notes payable                                                       | 15,456                  | -                            | -                            | -                   |
| Accounts payable                                                    | 81,177,435              | -                            | -                            | -                   |
| Accounts payable - related parties                                  | 159,704                 | -                            | -                            | -                   |
| Other payables                                                      | 12,961,435              | -                            | -                            | -                   |
| Lease liabilities                                                   | 444,127                 | 348,767                      | 688,148                      | 1,683,828           |
| Long-term borrowings (including current portion)                    | 11,967,186              | 16,855,520                   | 12,784,508                   | 5,569,609           |

Non-derivative financial liabilities:

| <u>December 31, 2021</u>                                            | <u>Less than 1 year</u> | <u>Between 1<br/>and 2 years</u> | <u>Between 2<br/>and 5 years</u> | <u>Over 5 years</u> |
|---------------------------------------------------------------------|-------------------------|----------------------------------|----------------------------------|---------------------|
| Short-term borrowings                                               | \$ 82,534,921           | \$ -                             | \$ -                             | \$ -                |
| Short-term notes and bills payable                                  | 7,450,000               | -                                | -                                | -                   |
| Financial liabilities measured at fair value through profit or loss | 7,068                   | -                                | -                                | -                   |
| Notes payable                                                       | 21,484                  | -                                | -                                | -                   |
| Accounts payable                                                    | 75,552,919              | -                                | -                                | -                   |
| Accounts payable - related parties                                  | 362,228                 | -                                | -                                | -                   |
| Other payables                                                      | 10,598,704              | -                                | -                                | -                   |
| Lease liabilities                                                   | 347,998                 | 243,446                          | 266,330                          | 1,116,577           |
| Long-term borrowings (including current portion)                    | 415,419                 | 15,020,054                       | 11,958,516                       | 5,464,049           |

(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: Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following conditions: the items traded in the market are homogeneous; willing buyers and sellers can normally be found at any time; and prices are available to the public. The fair value of the Group's investment in listed stocks 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 (that is, as prices) or indirectly (that is, derived from prices). The fair value of the Group's investment in emerging stocks, publicly traded equity investment, forward exchange, beneficiary certificates and swap contracts is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data. The fair value of the Group's investment in equity investment without active market is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(12).

C. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), other financial assets, guarantee deposits paid, financial assets at amortized cost, short-term borrowings, short-term notes and bills payable, notes payable, accounts payable (including related parties), other payables, lease liabilities (including current and non-current), long-term borrowings-current portion, long-term

borrowings and guarantee deposits received are approximate to their fair values.

- D. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

| December 31, 2022                                                 | Level 1            | Level 2         | Level 3            | Total              |
|-------------------------------------------------------------------|--------------------|-----------------|--------------------|--------------------|
| <u>Assets</u>                                                     |                    |                 |                    |                    |
| <u>Recurring fair value measurements</u>                          |                    |                 |                    |                    |
| Financial assets at fair value through profit or loss             |                    |                 |                    |                    |
| Forward exchange contracts                                        | \$ -               | \$ 4,652        | \$ -               | \$ 4,652           |
| Equity securities                                                 | 382,582            | -               | 1,343,258          | 1,725,840          |
| Financial assets at fair value through other comprehensive income |                    |                 |                    |                    |
| Equity securities                                                 | 3,121,989          | -               | 219,094            | 3,341,083          |
|                                                                   | <u>\$3,504,571</u> | <u>\$ 4,652</u> | <u>\$1,562,352</u> | <u>\$5,071,575</u> |
| <u>Liabilities</u>                                                |                    |                 |                    |                    |
| <u>Recurring fair value measurements</u>                          |                    |                 |                    |                    |
| Financial liabilities held for trading                            |                    |                 |                    |                    |
| Forward exchange contracts                                        | \$ -               | \$ 4,148        | \$ -               | \$ 4,148           |
| <br>                                                              |                    |                 |                    |                    |
| December 31, 2021                                                 | Level 1            | Level 2         | Level 3            | Total              |
| <u>Assets</u>                                                     |                    |                 |                    |                    |
| <u>Recurring fair value measurements</u>                          |                    |                 |                    |                    |
| Financial assets at fair value through profit or loss             |                    |                 |                    |                    |
| Forward exchange contracts                                        | \$ -               | \$ 1,523        | \$ -               | \$ 1,523           |
| Equity securities                                                 | 560,240            | -               | 1,366,733          | 1,926,973          |
| Financial assets at fair value through other comprehensive income |                    |                 |                    |                    |
| Equity securities                                                 | 3,255,556          | -               | 66,006             | 3,321,562          |
|                                                                   | <u>\$3,815,796</u> | <u>\$ 1,523</u> | <u>\$1,432,739</u> | <u>\$5,250,058</u> |
| <u>Liabilities</u>                                                |                    |                 |                    |                    |
| <u>Recurring fair value measurements</u>                          |                    |                 |                    |                    |
| Financial liabilities held for trading                            |                    |                 |                    |                    |
| Forward exchange contracts                                        | \$ -               | \$ 7,068        | \$ -               | \$ 7,068           |

(b) 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:

|                     | <u>Listed shares</u> |
|---------------------|----------------------|
| Market quoted price | Closing price        |

- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques widely accepted in financial management.
- iii. When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- iv. Forward exchange contracts are usually valued based on the current forward exchange rate.
- v. 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.
- vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. The following chart is the movement of Level 3 for the years ended December 31, 2022 and 2021:

|                            | <u>2022</u>         | <u>2021</u>         |
|----------------------------|---------------------|---------------------|
| At January 1               | \$ 1,432,739        | \$ 1,185,252        |
| Additions                  | 200,218             | 276,661             |
| Capital reduction          | ( 92,822)           | ( 68,110)           |
| Disposal                   | -                   | ( 630)              |
| Transfers out from level 3 | -                   | ( 63,992)           |
| Losses on valuation        | 11,385              | 106,821             |
| Effect of foreign exchange | 10,832              | ( 3,263)            |
| At December 31             | <u>\$ 1,562,352</u> | <u>\$ 1,432,739</u> |

- F. For the year ended December 31, 2022, there was no transfer into or out from Level 3. For the year ended December 31, 2021, as the investee company became a public company, the Group transferred the fair value from Level 3 into Level 1 at the end of the month when the event occurred.
- G. Finance and accounting department is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and frequently reviewed.
- Finance and accounting department sets up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS. The related valuation results are reported to management monthly. Management is responsible for managing and reviewing valuation processes.
- H. The following is the qualitative information on 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<br>December 31,<br>2022 | Valuation<br>technique | Significant<br>unobservable<br>input | Range<br>(weighted<br>average) | Relationship<br>of inputs to<br>fair value                |
|-----------------------------------------|---------------------------------------|------------------------|--------------------------------------|--------------------------------|-----------------------------------------------------------|
| Non-derivative equity:                  |                                       |                        |                                      |                                |                                                           |
| Equity investment without active market | \$ 1,528,152                          | Net asset value method | Net asset value                      | -                              | The higher the net asset value, the higher the fair value |
| Preferred share without active market   | 34,200                                | Market approach        | Not applicable                       | -                              | Not applicable                                            |

|                                         | Fair value at<br>December 31,<br>2021 | Valuation<br>technique | Significant<br>unobservable<br>input | Range<br>(weighted<br>average) | Relationship<br>of inputs to<br>fair value                |
|-----------------------------------------|---------------------------------------|------------------------|--------------------------------------|--------------------------------|-----------------------------------------------------------|
| Non-derivative equity:                  |                                       |                        |                                      |                                |                                                           |
| Equity investment without active market | \$ 1,398,539                          | Net asset value method | Net asset value                      | -                              | The higher the net asset value, the higher the fair value |
| Preferred share without active market   | 34,200                                | Market approach        | Not applicable                       | -                              | Not applicable                                            |



- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

|                   |                 |        | December 31, 2022               |                        |                                             |                        |
|-------------------|-----------------|--------|---------------------------------|------------------------|---------------------------------------------|------------------------|
|                   |                 |        | Recognized in<br>profit or loss |                        | Recognized in other<br>comprehensive income |                        |
|                   | Input           | Change | Favourable<br>change            | Unfavourable<br>change | Favourable<br>change                        | Unfavourable<br>change |
| Financial assets  |                 |        |                                 |                        |                                             |                        |
| Equity instrument | Net asset value | ± 1%   | \$ 13,433                       | (\$ 13,433)            | \$ 2,191                                    | (\$ 2,191)             |

|                   |                 |        | December 31, 2021               |                        |                                             |                        |
|-------------------|-----------------|--------|---------------------------------|------------------------|---------------------------------------------|------------------------|
|                   |                 |        | Recognized in<br>profit or loss |                        | Recognized in other<br>comprehensive income |                        |
|                   | Input           | Change | Favourable<br>change            | Unfavourable<br>change | Favourable<br>change                        | Unfavourable<br>change |
| Financial assets  |                 |        |                                 |                        |                                             |                        |
| Equity instrument | Net asset value | ± 1%   | \$ 13,667                       | (\$ 13,667)            | \$ 660                                      | (\$ 660)               |

(4) Others

In response to the Covid-19 outbreak, the Group implemented several preventive measures imposed by the government. All offices and operating locations have adopted high-standard pandemic prevention measures and different methods in response to government regulations. Currently, the pandemic had no significant impact on the Group's operations and business conditions.

13. SUPPLEMENTARY DISCLOSURES

(The transactions with subsidiaries disclosed below had been eliminated when preparing consolidated financial statements. The following disclosures are for reference only.)

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.
- D. Aggregate purchases or sales of the same securities reaching \$300 million or 20% of paid-in capital or more: Refer to table 4.
- 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: Refer to table 5.
  - H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
  - I. Derivative financial instruments undertaken during the reporting period: Refer to Notes 6(2)B. and 12(3).
  - J. Significant inter-company transactions during the reporting period: Refer to table 7.
- (2) Information on investee companies  
Names, locations and other information of investee companies (excluding investees in Mainland China): Refer to table 8.
- (3) Information on investments in Mainland China
- A. Basic information: Refer to table 9.
  - B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area.  
Any of the following significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: Information on significant transactions of the Company and subsidiary and investee company in Mainland China as of and for the year ended December 31, 2022 is provided in Note (1)J.
- (4) Major shareholders information  
Major shareholders information: Refer to table 10.

#### 14. OPERATING SEGMENT INFORMATION

##### (1) General information

The Group is mainly engaged in the import and export of electronic components. The products include CPU, analog IC, discrete IC, logic IC, DRAM, Flash, optical component, etc. The chief operating decision-maker evaluates performance based on the separate net income of sub-groups.

##### (2) Measurement of segment information

The Group's chief operating decision-maker uses the net income as basis for assessing the performance of the Group's operating segments.

##### (3) Reconciliation for segment income (loss)

A. The net income reported to the chief operating decision-maker is measured in a manner consistent with revenues, costs and expenses in the statement of comprehensive income. As the amounts in the statement provided to the chief operating decision-maker for managing segment are in agreement with the amounts in the statements of segment income, reconciliation is not needed.

B. The segment information of the reportable segments provided to the chief operating decision-maker for the years ended December 31, 2022 and 2021 is as follows:

Year ended December 31, 2022:

|                                 | World Peace<br>Industrial Co., Ltd.<br>and its subsidiaries | Silicon<br>Application<br>Corp. and its<br>subsidiaries | Asian<br>Information<br>Technology Inc.<br>and its<br>subsidiaries | Yosun Industrial<br>Corp. and<br>its subsidiaries | Trigold<br>Holdings<br>Limited and<br>its subsidiaries | Others        | Eliminations     | Total          |
|---------------------------------|-------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------|---------------|------------------|----------------|
| Revenue from external customers | \$ 392,638,175                                              | \$ 80,865,184                                           | \$ 90,188,621                                                      | \$ 121,707,685                                    | \$ 17,097,554                                          | \$ 72,735,203 | \$ -             | \$ 775,232,422 |
| Revenue from internal customers | 16,535,245                                                  | 6,137,384                                               | 1,739,498                                                          | 7,034,760                                         | 3,284,821                                              | 18,430,525    | ( 53,162,233)    | -              |
| Total revenue                   | \$ 409,173,420                                              | \$ 87,002,568                                           | \$ 91,928,119                                                      | \$ 128,742,445                                    | \$ 20,382,375                                          | \$ 91,165,728 | ( \$ 53,162,233) | \$ 775,232,422 |
| Segment profit                  | \$ 8,386,094                                                | \$ 1,958,528                                            | \$ 2,234,620                                                       | \$ 2,878,926                                      | \$ 544,682                                             | \$ 398,095    | \$ 3,246,449     | \$ 19,647,394  |
| Net income                      | \$ 4,147,303                                                | \$ 1,106,664                                            | \$ 1,385,097                                                       | \$ 1,455,001                                      | \$ 177,131                                             | \$ 474,043    | \$ 1,832,195     | \$ 10,577,434  |

Year ended December 31, 2021:

|                                    | World Peace<br>Industrial Co., Ltd.<br>and its subsidiaries | Silicon<br>Application<br>Corp. and its<br>subsidiaries | Asian<br>Information<br>Technology Inc.<br>and its<br>subsidiaries | Yosun Industrial<br>Corp. and<br>its subsidiaries | Trigold<br>Holdings<br>Limited | Others               | Eliminations            | Total                 |
|------------------------------------|-------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|--------------------------------|----------------------|-------------------------|-----------------------|
| Revenue from external<br>customers | \$ 390,387,956                                              | \$ 90,498,213                                           | \$ 90,976,672                                                      | \$ 110,127,748                                    | \$ 17,277,654                  | \$ 79,304,472        | \$ -                    | \$ 778,572,715        |
| Revenue from internal<br>customers | <u>17,808,588</u>                                           | <u>7,594,855</u>                                        | <u>1,457,128</u>                                                   | <u>8,152,046</u>                                  | <u>1,556,074</u>               | <u>17,419,067</u>    | <u>( 53,987,758)</u>    | <u>-</u>              |
| Total revenue                      | <u>\$ 408,196,544</u>                                       | <u>\$ 98,093,068</u>                                    | <u>\$ 92,433,800</u>                                               | <u>\$ 118,279,794</u>                             | <u>\$ 18,833,728</u>           | <u>\$ 96,723,539</u> | <u>( \$ 53,987,758)</u> | <u>\$ 778,572,715</u> |
| Segment profit                     | <u>\$ 7,948,997</u>                                         | <u>\$ 2,296,649</u>                                     | <u>\$ 2,485,012</u>                                                | <u>\$ 2,302,378</u>                               | <u>\$ 726,586</u>              | <u>\$ 979,192</u>    | <u>\$ 2,203,350</u>     | <u>\$ 18,942,164</u>  |
| Net income                         | <u>\$ 4,243,901</u>                                         | <u>\$ 1,276,708</u>                                     | <u>\$ 1,373,132</u>                                                | <u>\$ 1,275,169</u>                               | <u>\$ 386,006</u>              | <u>\$ 1,693,725</u>  | <u>\$ 1,399,069</u>     | <u>\$ 11,647,710</u>  |

(4) Information on products and services

Revenue from external customers is mainly from trade and agent of electronic components.

Details of revenue are as follows:

|                                           | Years ended December 31, |                       |
|-------------------------------------------|--------------------------|-----------------------|
|                                           | 2022                     | 2021                  |
| Core components                           | \$ 279,342,947           | \$ 238,663,186        |
| Analog IC and mixed signal components     | 73,035,947               | 74,516,191            |
| Discrete IC, logic IC                     | 95,442,973               | 105,137,035           |
| Memory                                    | 214,267,553              | 225,013,454           |
| Optical components                        | 63,621,903               | 80,519,200            |
| Passive connector and magnetic components | 35,004,053               | 40,387,173            |
| Others                                    | 16,517,046               | 14,336,476            |
|                                           | <u>\$ 775,232,422</u>    | <u>\$ 778,572,715</u> |

(5) Geographical information

Geographical information for the years ended December 31, 2022 and 2021 is as follows:

|                | Years ended December 31, |                      |                       |                      |
|----------------|--------------------------|----------------------|-----------------------|----------------------|
|                | 2022                     |                      | 2021                  |                      |
|                | Revenue                  | Non-current assets   | Revenue               | Non-current assets   |
| Taiwan         | \$ 106,998,393           | \$ 17,681,981        | \$ 105,771,643        | \$ 16,161,080        |
| Mainland China | 608,698,934              | 3,444,620            | 615,605,675           | 3,719,279            |
| Others         | 59,535,095               | 346,908              | 57,195,397            | 412,317              |
|                | <u>\$ 775,232,422</u>    | <u>\$ 21,473,509</u> | <u>\$ 778,572,715</u> | <u>\$ 20,292,676</u> |

(6) Major customer information

No single customer contributes more than 10% of the Group's total consolidated operating revenues for the years ended December 31, 2022 and 2021.

WPG Holdings Limited and Subsidiaries  
Loans to others  
Year ended December 31, 2022

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

| No. | Creditor                                        | Borrower                                                 | General ledger account | Is a related party | Maximum outstanding balance during the year ended | Balance at        | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-------------------------------------------------|----------------------------------------------------------|------------------------|--------------------|---------------------------------------------------|-------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                                                 |                                                          |                        |                    | December 31, 2022                                 | December 31, 2022 |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 1   | Apache Korea Corp.                              | WPG Korea Co., Ltd.                                      | Other receivables      | Y                  | \$ 53,313                                         | \$ 53,313         | 53,313                   | 4.60          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 74,997                                | \$ 74,997                      | Note 1   |
| 2   | Genuine C&C (IndoChina) Pte Ltd.                | World Peace International (South Asia) Pte Ltd.          | Other receivables      | Y                  | 64,430                                            | 61,420            | 61,420                   | 5.66          | 2                        | -                                        | Operations                      | -                               | None       | -     | 89,864                                   | 89,864                         | Note 3   |
| 3   | GENUINE C&C HOLDING INC. (Seychelles)           | Peng Yu Trigold Limited                                  | Other receivables      | Y                  | 142,875                                           | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 144,743                                  | 144,743                        | Note 5   |
| 3   | GENUINE C&C HOLDING INC. (Seychelles)           | Genuine C&C, Inc.                                        | Other receivables      | Y                  | 51,544                                            | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 57,897                                   | 144,743                        | Note 5   |
| 4   | Richpower Electronic Devices Pte., Ltd.         | Yosun Singapore Pte Ltd.                                 | Other receivables      | Y                  | 476,005                                           | 476,005           | 236,467                  | 5.66          | 2                        | -                                        | Operations                      | -                               | None       | -     | 479,767                                  | 479,767                        | Note 4   |
| 5   | World Peace International (India) Pvt., Ltd.    | WPG C&C Computers And Peripheral (India) Private Limited | Other receivables      | Y                  | 19,565                                            | 18,557            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 89,204                                   | 89,204                         | Note 8   |
| 6   | World Peace International (South Asia) Pte Ltd. | WPI International (Hong Kong) Limited                    | Other receivables      | Y                  | 1,113,000                                         | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 7,624,685                                | 7,624,685                      | Note 3   |
| 6   | World Peace International (South Asia) Pte Ltd. | WPG Electronics (Hong Kong) Limited                      | Other receivables      | Y                  | 589,500                                           | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 7,624,685                                | 7,624,685                      | Note 3   |
| 6   | World Peace International (South Asia) Pte Ltd. | WPG Americas Inc.                                        | Other receivables      | Y                  | 1,369,575                                         | 307,100           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 7,624,685                                | 7,624,685                      | Note 3   |
| 6   | World Peace International (South Asia) Pte Ltd. | WPI Technology Pte Ltd.                                  | Other receivables      | Y                  | 96,645                                            | 92,130            | 49,136                   | 5.66          | 2                        | -                                        | Operations                      | -                               | None       | -     | 7,624,685                                | 7,624,685                      | Note 3   |
| 7   | WPG C&C Limited                                 | WPI International (Hong Kong) Limited                    | Other receivables      | Y                  | 257,720                                           | 245,680           | 245,680                  | 3.25~4.45     | 2                        | -                                        | Operations                      | -                               | None       | -     | 287,578                                  | 287,578                        | Note 5   |

| No. | Creditor                                | Borrower                                        | General ledger account | Is a related party | Maximum outstanding balance during the year ended December 31, 2022 | Balance at December 31, 2022 | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-----------------------------------------|-------------------------------------------------|------------------------|--------------------|---------------------------------------------------------------------|------------------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                                         |                                                 |                        |                    |                                                                     |                              |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 8   | WPG India Electronics Pvt Ltd.          | World Peace International (India) Pvt., Ltd.    | Other receivables      | Y                  | \$ 23,477                                                           | \$ 22,268                    | \$ 22,268                | 9.30          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 167,371                               | \$ 167,371                     | Note 3   |
| 9   | WPG South Asia Pte. Ltd.                | WPG Korea Co., Ltd.                             | Other receivables      | Y                  | 772,250                                                             | 767,750                      | 429,940                  | 6.23          | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,309,715                                | 2,309,715                      | Note 8   |
| 9   | WPG South Asia Pte. Ltd.                | WPG Americas Inc.                               | Other receivables      | Y                  | 322,150                                                             | 307,100                      | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,309,715                                | 2,309,715                      | Note 8   |
| 9   | WPG South Asia Pte. Ltd.                | World Peace International (South Asia) Pte Ltd. | Other receivables      | Y                  | 308,900                                                             | 153,550                      | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,309,715                                | 2,309,715                      | Note 8   |
| 10  | WPI International (South Asia) Pte Ltd. | World Peace International (South Asia) Pte Ltd. | Other receivables      | Y                  | 257,720                                                             | 245,680                      | 107,485                  | 5.66          | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,392,029                                | 2,392,029                      | Note 3   |
| 11  | Yosun Hong Kong Corp. Ltd.              | WPG China Inc.                                  | Other receivables      | Y                  | 2,140,350                                                           | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Richpower Electronic Devices Co., Limited       | Other receivables      | Y                  | 966,450                                                             | 921,300                      | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Yosun Industrial Corp.                          | Other receivables      | Y                  | 264,480                                                             | 264,480                      | 264,480                  | 4.28          | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,103,949                                | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Yosun Shanghai Corp. Ltd.                       | Other receivables      | Y                  | 264,480                                                             | 264,480                      | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Peng Yu Trigold Limited                         | Other receivables      | Y                  | 322,150                                                             | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Yosun Singapore Pte Ltd.                        | Other receivables      | Y                  | 256,387                                                             | 254,893                      | 254,893                  | 5.79          | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 12  | Yosun Singapore Pte Ltd.                | World Peace International (South Asia) Pte Ltd. | Other receivables      | Y                  | 322,150                                                             | 307,100                      | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 833,726                                  | 833,726                        | Note 4   |
| 13  | AECO Technology Co., Ltd.               | World Peace Industrial Co., Ltd.                | Other receivables      | Y                  | 40,400                                                              | 32,000                       | 32,000                   | 1.30          | 2                        | -                                        | Operations                      | -                               | None       | -     | 410,435                                  | 410,435                        | Note 2   |
| 14  | AECO Electronics Co., Ltd.              | WPI International (Hong Kong) Limited           | Other receivables      | Y                  | 773,160                                                             | 737,040                      | 737,040                  | 1.60~4.45     | 2                        | -                                        | Operations                      | -                               | None       | -     | 839,637                                  | 839,637                        | Note 5   |
| 15  | WPG SCM Limited                         | WPG Electronics (Hong Kong) Limited             | Other receivables      | Y                  | 322,150                                                             | 307,100                      | 307,100                  | 5.73          | 2                        | -                                        | Operations                      | -                               | None       | -     | 1,331,648                                | 1,331,648                      | Note 8   |

Table 1, Page 2

| No. | Creditor                     | Borrower                                              | General ledger account | Is a related party | Maximum outstanding balance during the year ended | Balance at        | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|------------------------------|-------------------------------------------------------|------------------------|--------------------|---------------------------------------------------|-------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                              |                                                       |                        |                    | December 31, 2022                                 | December 31, 2022 |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 15  | WPG SCM Limited              | WPG Korea Co., Ltd.                                   | Other receivables      | Y                  | \$ 361,725                                        | \$ 214,970        | \$ 214,970               | 5.99          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 1,331,648                             | \$ 1,331,648                   | Note 8   |
| 15  | WPG SCM Limited              | WPG Americas Inc.                                     | Other receivables      | Y                  | 644,300                                           | 614,200           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 1,331,648                                | 1,331,648                      | Note 8   |
| 16  | WPG China (SZ) Inc.          | LaaS (Dongguan) Supply Chain Management Limited       | Other receivables      | Y                  | 134,190                                           | 132,240           | 132,240                  | 3.90          | 2                        | -                                        | Operations                      | -                               | None       | -     | 1,270,348                                | 1,270,348                      | Note 5   |
| 17  | WPG China Inc.               | LaaS (Dongguan) Supply Chain Management Limited       | Other receivables      | Y                  | 22,530                                            | 22,040            | 22,040                   | 4.18          | 2                        | -                                        | Operations                      | -                               | None       | -     | 3,606,038                                | 3,606,038                      | Note 5   |
| 18  | Yosun Industrial Corp.       | Yosun Hong Kong Corp. Ltd.                            | Other receivables      | Y                  | 1,947,750                                         | 1,535,500         | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 4,076,821                                | 4,076,821                      | Note 2   |
| 18  | Yosun Industrial Corp.       | Richpower Electronic Devices Co., Ltd.                | Other receivables      | Y                  | 300,000                                           | 300,000           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 4,076,821                                | 4,076,821                      | Note 2   |
| 18  | Yosun Industrial Corp.       | Yosun Shanghai Corp. Ltd.                             | Other receivables      | Y                  | 1,037,760                                         | 264,480           | 264,480                  | 5.34          | 2                        | -                                        | Operations                      | -                               | None       | -     | 4,076,821                                | 4,076,821                      | Note 2   |
| 19  | Yosun South China Corp. Ltd. | WPG China Inc.                                        | Other receivables      | Y                  | 202,770                                           | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 220,826                                  | 220,826                        | Note 5   |
| 19  | Yosun South China Corp. Ltd. | Yosun Shanghai Corp. Ltd.                             | Other receivables      | Y                  | 198,360                                           | 198,360           | 198,360                  | 2.80          | 2                        | -                                        | Operations                      | -                               | None       | -     | 220,826                                  | 220,826                        | Note 5   |
| 20  | Yosun Shanghai Corp. Ltd.    | WPG China Inc.                                        | Other receivables      | Y                  | 238,818                                           | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 380,366                                  | 380,366                        | Note 5   |
| 20  | Yosun Shanghai Corp. Ltd.    | WPG China (SZ) Inc.                                   | Other receivables      | Y                  | 148,478                                           | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 380,366                                  | 380,366                        | Note 5   |
| 21  | WPG Investment Co., Ltd.     | WPG Electronics Limited                               | Other receivables      | Y                  | 80,000                                            | 80,000            | 80,000                   | 2.14          | 2                        | -                                        | Operations                      | -                               | None       | -     | 793,825                                  | 793,825                        | Note 2   |
| 22  | WPG C&C Shanghai Co., Ltd.   | Trigolduo (Shanghai) Industrial Development Ltd.      | Other receivables      | Y                  | 39,497                                            | 37,468            | 37,468                   | 4.10          | 2                        | -                                        | Operations                      | -                               | None       | -     | 247,821                                  | 619,552                        | Note 5   |
| 22  | WPG C&C Shanghai Co., Ltd.   | Trigold Tongle (Shanghai) Industrial Development Ltd. | Other receivables      | Y                  | 20,419                                            | 18,073            | 18,073                   | 4.10          | 2                        | -                                        | Operations                      | -                               | None       | -     | 619,552                                  | 619,552                        | Note 5   |

Table 1, Page 3



| No. | Creditor                              | Borrower                                        | General ledger account | Is a related party | Maximum outstanding balance during the year ended December 31, 2022 | Balance at December 31, 2022 | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|---------------------------------------|-------------------------------------------------|------------------------|--------------------|---------------------------------------------------------------------|------------------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                                       |                                                 |                        |                    |                                                                     |                              |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 22  | WPG C&C Shanghai Co., Ltd.            | LaaS (Dongguan) Supply Chain Management Limited | Other receivables      | Y                  | \$ 306,408                                                          | \$ 299,744                   | \$ 299,744               | 4.10          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 619,552                               | \$ 619,552                     | Note 5   |
| 22  | WPG C&C Shanghai Co., Ltd.            | WPG China Inc.                                  | Other receivables      | Y                  | 90,120                                                              | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 619,552                                  | 619,552                        | Note 5   |
| 22  | WPG C&C Shanghai Co., Ltd.            | Yosun Shanghai Corp. Ltd.                       | Other receivables      | Y                  | 88,160                                                              | 88,160                       | 88,160                   | 4.10          | 2                        | -                                        | Operations                      | -                               | None       | -     | 619,552                                  | 619,552                        | Note 5   |
| 23  | WPI International (Hong Kong) Limited | WPG Electronics (Hong Kong) Limited             | Other receivables      | Y                  | 5,681,350                                                           | 5,681,350                    | 4,913,600                | 2.56~5.61     | 2                        | -                                        | Operations                      | -                               | None       | -     | 27,651,026                               | 27,651,026                     | Note 5   |
| 23  | WPI International (Hong Kong) Limited | AECO Technology Co., Ltd.                       | Other receivables      | Y                  | 11,275                                                              | 10,749                       | 10,749                   | 4.42~5.61     | 2                        | -                                        | Operations                      | -                               | None       | -     | 11,060,410                               | 27,651,026                     | Note 5   |
| 23  | WPI International (Hong Kong) Limited | WPG Americas Inc.                               | Other receivables      | Y                  | 1,288,600                                                           | 1,228,400                    | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 27,651,026                               | 27,651,026                     | Note 5   |
| 23  | WPI International (Hong Kong) Limited | WPG China Inc.                                  | Other receivables      | Y                  | 1,336,500                                                           | 661,200                      | 661,200                  | 4.73          | 2                        | -                                        | Operations                      | -                               | None       | -     | 27,651,026                               | 27,651,026                     | Note 5   |
| 23  | WPI International (Hong Kong) Limited | World Peace Industrial Co., Ltd.                | Other receivables      | Y                  | 1,228,400                                                           | 1,228,400                    | 1,228,400                | 5.61          | 2                        | -                                        | Operations                      | -                               | None       | -     | 11,060,410                               | 27,651,026                     | Note 5   |
| 24  | World Peace Industrial Co., Ltd.      | Longview Technology Inc.                        | Other receivables      | Y                  | 212,720                                                             | 123,710                      | 89,843                   | 2.80~6.05     | 2                        | -                                        | Operations                      | -                               | None       | -     | 9,577,200                                | 12,769,599                     | Note 6   |
| 24  | World Peace Industrial Co., Ltd.      | WPI International (Hong Kong) Limited           | Other receivables      | Y                  | 3,756,375                                                           | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 9,577,200                                | 12,769,599                     | Note 6   |
| 24  | World Peace Industrial Co., Ltd.      | WPG Electronics (Hong Kong) Limited             | Other receivables      | Y                  | 966,450                                                             | 921,300                      | 921,300                  | 2.30~6.05     | 2                        | -                                        | Operations                      | -                               | None       | -     | 9,577,200                                | 12,769,599                     | Note 6   |
| 25  | Silicon Application Company Limited   | WPG Electronics (Hong Kong) Limited             | Other receivables      | Y                  | 1,063,095                                                           | 1,013,430                    | 1,013,430                | 1.75~4.98     | 2                        | -                                        | Operations                      | -                               | None       | -     | 1,817,583                                | 1,817,583                      | Note 5   |
| 25  | Silicon Application Company Limited   | Silicon Application Corp.                       | Other receivables      | Y                  | 710,470                                                             | 706,330                      | 706,330                  | 5.23          | 2                        | -                                        | Operations                      | -                               | None       | -     | 727,033                                  | 1,817,583                      | Note 5   |

Table 1, Page 4

| No. | Creditor                                        | Borrower                                        | General ledger account | Is a related party | Maximum outstanding balance during the year ended December 31, 2022 | Balance at December 31, 2022 | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-------------------------------------------------|-------------------------------------------------|------------------------|--------------------|---------------------------------------------------------------------|------------------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                                                 |                                                 |                        |                    |                                                                     |                              |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 26  | Sertek Limited                                  | Richpower Electronic Devices Co., Limited       | Other receivables      | Y                  | \$ 79,375                                                           | \$ -                         | \$ -                     | -             | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 82,689                                | \$ 82,689                      | Note 5   |
| 26  | Sertek Limited                                  | Yosun Hong Kong Corp. Ltd.                      | Other receivables      | Y                  | 80,538                                                              | 76,775                       | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 82,689                                   | 82,689                         | Note 5   |
| 27  | Sertek Incorporated                             | Richpower Electronic Devices Co., Ltd.          | Other receivables      | Y                  | 608,700                                                             | 552,780                      | 552,780                  | 1.55~4.8      | 2                        | -                                        | Operations                      | -                               | None       | -     | 668,655                                  | 668,655                        | Note 2   |
| 27  | Sertek Incorporated                             | Yosun Hong Kong Corp. Ltd.                      | Other receivables      | Y                  | 278,250                                                             | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 668,655                                  | 668,655                        | Note 2   |
| 28  | Apache Communication Inc.                       | Henshen Electric Trading Co., Ltd.              | Other receivables      | Y                  | 408,010                                                             | 406,390                      | 406,390                  | 1.89~4.26     | 2                        | -                                        | Operations                      | -                               | None       | -     | 639,033                                  | 1,022,452                      | Note 7   |
| 28  | Apache Communication Inc.                       | Frontek Technology Corporation                  | Other receivables      | Y                  | 483,225                                                             | 460,650                      | 460,650                  | 3.76          | 2                        | -                                        | Operations                      | -                               | None       | -     | 639,033                                  | 1,022,452                      | Note 7   |
| 29  | Genuine C&C Inc.                                | Hoban Inc.                                      | Other receivables      | Y                  | 10,000                                                              | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 460,076                                  | 460,076                        | Note 9   |
| 30  | Pernas Electronics Co., Ltd.                    | Silicon Application Corp.                       | Other receivables      | Y                  | 400,000                                                             | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 576,480                                  | 576,480                        | Note 2   |
| 30  | Pernas Electronics Co., Ltd.                    | Everwiner Enterprise Co., Ltd.                  | Other receivables      | Y                  | 200,000                                                             | 200,000                      | 200,000                  | 1.40~1.90     | 2                        | -                                        | Operations                      | -                               | None       | -     | 576,480                                  | 576,480                        | Note 2   |
| 31  | Long-Think International (Hong Kong) Limited    | WPI International (Hong Kong) Limited           | Other receivables      | Y                  | 483,225                                                             | 460,650                      | 460,650                  | 1.75~4.45     | 2                        | -                                        | Operations                      | -                               | None       | -     | 576,367                                  | 576,367                        | Note 5   |
| 32  | Long-Think International Co., Ltd.              | World Peace Industrial Co., Ltd.                | Other receivables      | Y                  | 16,000                                                              | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 17,413                                   | 17,413                         | Note 2   |
| 33  | Peng Yu (Shanghai) Digital Technology Co., Ltd. | WPG C&C Shanghai Co., Ltd.                      | Other receivables      | Y                  | 69,843                                                              | 68,324                       | 68,324                   | 3.90~3.95     | 2                        | -                                        | Operations                      | -                               | None       | -     | 429,839                                  | 429,839                        | Note 5   |
| 33  | Peng Yu (Shanghai) Digital Technology Co., Ltd. | LaaS (Dongguan) Supply Chain Management Limited | Other receivables      | Y                  | 90,120                                                              | 88,160                       | 88,160                   | 4.10          | 2                        | -                                        | Operations                      | -                               | None       | -     | 429,839                                  | 429,839                        | Note 5   |
| 34  | Peng Yu International Limited                   | Peng Yu Trigold Limited                         | Other receivables      | Y                  | 193,290                                                             | 184,260                      | 184,260                  | 2.21          | 2                        | -                                        | Operations                      | -                               | None       | -     | 267,874                                  | 267,874                        | Note 5   |

Table 1, Page 5

| No. | Creditor                            | Borrower                | General ledger account | Is a related party | Maximum outstanding balance during the year ended December 31, 2022 | Balance at December 31, 2022 | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |      | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-------------------------------------|-------------------------|------------------------|--------------------|---------------------------------------------------------------------|------------------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|------|------------------------------------------|--------------------------------|----------|
|     |                                     |                         |                        |                    |                                                                     |                              |                          |               |                          |                                          | Item                            | Value                           |            |      |                                          |                                |          |
| 35  | Trigold (Hong Kong) Company Limited | Peng Yu Trigold Limited | Other receivables      | Y                  | \$ 77,316                                                           | \$ 73,704                    | \$ 73,704                | 2.00          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ - | \$ 1,127,998                             | \$ 1,127,998                   | Note 5   |
| 36  | Trigold Holdings Limited            | Peng Yu Trigold Limited | Other receivables      | Y                  | 308,900                                                             | 153,550                      | 153,550                  | 5.00~6.25     | 2                        | -                                        | Operations                      | -                               | None       | -    | 837,578                                  | 837,578                        | Note 2   |

Note 1: Ceiling on total loans to others should not exceed the creditor's net assets. For short-term financing, ceiling on loans to a single party should not exceed the creditor's net assets.

Note 2: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

Note 3: (1) For those borrowers which are not 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.

(2) For those borrowers which are 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 200% of the creditor's net assets.

(3) The total limit of (1) and (2) should not exceed 200% of the creditor's net assets.

Note 4: Accumulated financing activities to any company or person should not be in excess of 200% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets.

For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 5: Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to an overseas company or ultimate parent company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 6: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to a single company should not be in excess of 30% of creditor's assets.

Note 7: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to a single company should not be in excess of 25% of creditor's net assets.

Note 8: (1) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets. Ceilings on accumulated short-term financing should not exceed 200% of the creditor's net assets.

(2) The individual limit amount should not exceed 40% of the creditor's net assets and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.

Note 9: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, ceiling on the individual loans from others should not exceed 40% of the creditor's net assets, and the individual limit should not exceed the amount of business transactions within one year; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

(3) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies was excluded in the aforementioned limits.

Note 10: The column of 'Nature of loan' shall fill in 1. 'Business transaction or 2. 'Short-term financing'.

WPG Holdings Limited and Subsidiaries  
Provision of endorsements and guarantees to others  
Year ended December 31, 2022

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Number | Endorser/<br>guarantor                          | Party being endorsed/guaranteed                          |  | Relationship<br>with the<br>endorser/<br>guarantor<br>(Note 1) | Limit on<br>endorsements/<br>guarantees<br>provided for a<br>single party | Maximum<br>outstanding<br>endorsement/<br>guarantee amount as<br>of December 31,<br>2022 | Outstanding<br>endorsement/<br>guarantee<br>amount as of<br>December 31,<br>2022 | Actual amount<br>drawn down | Amount of<br>endorsements/<br>guarantees<br>secured with<br>collateral | Ratio of accumulated<br>endorsement/<br>guarantee amount to<br>net asset value of the<br>endorser/ guarantor<br>company | Ceiling on total<br>amount of<br>endorsements/<br>guarantees<br>provided | Provision of<br>endorsements/<br>guarantees by<br>parent company<br>to subsidiary | Provision of<br>endorsements/<br>guarantees by<br>subsidiary to<br>parent<br>company | Provision of<br>endorsements/<br>guarantees to the<br>party in<br>Mainland China | Footnote      |
|--------|-------------------------------------------------|----------------------------------------------------------|--|----------------------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------|
|        |                                                 | Company name                                             |  |                                                                |                                                                           |                                                                                          |                                                                                  |                             |                                                                        |                                                                                                                         |                                                                          |                                                                                   |                                                                                      |                                                                                  |               |
| 0      | WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                         |  | 2                                                              | \$ 40,528,125                                                             | \$ 181,477                                                                               | \$ 90,770                                                                        | \$ -                        | \$ 85,043                                                              | 0.11                                                                                                                    | \$ 40,528,125                                                            | Y                                                                                 | N                                                                                    | N                                                                                | Notes 2 and 3 |
| 1      | World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited |  | 2                                                              | 7,941,478                                                                 | 80,538                                                                                   | 76,775                                                                           | -                           | -                                                                      | 1.93                                                                                                                    | 7,941,478                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 5        |
| 2      | World Peace International Pte Ltd.              | WPG Americas Inc.                                        |  | 4                                                              | -                                                                         | -                                                                                        | -                                                                                | -                           | -                                                                      | -                                                                                                                       | -                                                                        | N                                                                                 | N                                                                                    | N                                                                                | Note 5        |
| 3      | WPI International (South Asia) Pte Ltd.         | WPG Americas Inc.                                        |  | 4                                                              | 8,685,331                                                                 | 177,183                                                                                  | 168,905                                                                          | 117,406                     | -                                                                      | 3.89                                                                                                                    | 8,685,531                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 5        |
| 4      | WPG China Inc.                                  | LaaS (Dongguan) Supply Chain Management Limited          |  | 4                                                              | 5,409,057                                                                 | 54,156                                                                                   | 26,889                                                                           | -                           | -                                                                      | 0.75                                                                                                                    | 7,212,076                                                                | N                                                                                 | N                                                                                    | Y                                                                                | Note 10       |
| 5      | Yosun Industrial Corp.                          | Yosun Singapore Pte Ltd.                                 |  | 4                                                              | 10,192,052                                                                | 1,240,278                                                                                | 1,182,335                                                                        | 600,942                     | -                                                                      | 11.60                                                                                                                   | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Yosun Hong Kong Corp. Ltd.                               |  | 2                                                              | 10,192,052                                                                | 982,720                                                                                  | 982,720                                                                          | 130,661                     | -                                                                      | 9.64                                                                                                                    | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Richpower Electronic Devices Co., Ltd                    |  | 2                                                              | 10,192,052                                                                | 869,805                                                                                  | 829,170                                                                          | 906                         | -                                                                      | 8.14                                                                                                                    | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Yosun Shanghai Corp. Ltd.                                |  | 2                                                              | 10,192,052                                                                | 805,375                                                                                  | 767,750                                                                          | 2,401                       | -                                                                      | 7.53                                                                                                                    | 20,384,105                                                               | N                                                                                 | N                                                                                    | Y                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Sertek Incorporated                                      |  | 2                                                              | 10,192,052                                                                | 2,577,200                                                                                | 2,456,800                                                                        | 835,040                     | -                                                                      | 24.11                                                                                                                   | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Richpower Electronic Devices Co., Limited                |  | 2                                                              | 10,192,052                                                                | 1,107,100                                                                                | 1,107,100                                                                        | 93,511                      | -                                                                      | 10.86                                                                                                                   | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 6      | World Peace Industrial Co., Ltd.                | WPI International (Hong Kong) Limited                    |  | 2                                                              | 15,961,999                                                                | 3,602,976                                                                                | 2,898,853                                                                        | 921,668                     | -                                                                      | 9.08                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 4        |
| 6      | World Peace Industrial Co., Ltd.                | Vitec WPG Limited                                        |  | 6                                                              | 15,961,999                                                                | 72,483                                                                                   | 69,097                                                                           | -                           | -                                                                      | 0.22                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 4        |

| Number | Endorser/<br>guarantor            | Party being endorsed/guaranteed                |                                                                |                                                                           | Maximum<br>outstanding<br>endorsement/<br>guarantee amount as<br>of December 31,<br>2022 | Outstanding<br>endorsement/<br>guarantee<br>amount as of<br>December 31,<br>2022 | Actual amount<br>drawn down | Amount of<br>endorsements/<br>guarantees<br>secured with<br>collateral | Ratio of accumulated<br>endorsement/<br>guarantee amount to<br>net asset value of the<br>endorser/ guarantor<br>company | Ceiling on total<br>amount of<br>endorsements/<br>guarantees<br>provided | Provision of<br>endorsements/<br>guarantees by<br>parent company<br>to subsidiary | Provision of<br>endorsements/<br>guarantees by<br>subsidiary to<br>parent<br>company | Provision of<br>endorsements/<br>guarantees to the<br>party in<br>Mainland China | Footnote |
|--------|-----------------------------------|------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------|
|        |                                   | Company name                                   | Relationship<br>with the<br>endorser/<br>guarantor<br>(Note 1) | Limit on<br>endorsements/<br>guarantees<br>provided for a<br>single party |                                                                                          |                                                                                  |                             |                                                                        |                                                                                                                         |                                                                          |                                                                                   |                                                                                      |                                                                                  |          |
| 6      | World Peace Industrial Co., Ltd.  | World Peace International (South Asia) Pte Ltd | 2                                                              | \$ 15,961,999                                                             | \$ 1,060,005                                                                             | \$ 870,975                                                                       | \$ 325,984                  | \$ -                                                                   | 2.73                                                                                                                    | \$ 25,539,199                                                            | N                                                                                 | N                                                                                    | N                                                                                | Note 4   |
| 6      | World Peace Industrial Co., Ltd.  | WPG Electronics (Hong Kong) Limited            | 4                                                              | 15,961,999                                                                | 805,375                                                                                  | 767,750                                                                          | 767,750                     | -                                                                      | 2.40                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 4   |
| 6      | World Peace Industrial Co., Ltd.  | WPG Korea Co., Ltd.                            | 4                                                              | 15,961,999                                                                | 60,000                                                                                   | 60,000                                                                           | -                           | -                                                                      | 0.19                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 4   |
| 6      | World Peace Industrial Co., Ltd.  | WPG China (SZ) Inc.                            | 4                                                              | 15,961,999                                                                | 32,215                                                                                   | 30,710                                                                           | 30,710                      | -                                                                      | 0.10                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | Y                                                                                | Note 4   |
| 7      | Apache Communication Inc.         | Asian Information Technology Inc.              | 3                                                              | 1,022,452                                                                 | 361,075                                                                                  | 353,550                                                                          | 230,031                     | -                                                                      | 13.83                                                                                                                   | 1,278,065                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 8   |
| 8      | Frontek Technology Corporation    | Asian Information Technology Inc.              | 3                                                              | 1,162,063                                                                 | 553,550                                                                                  | 553,550                                                                          | 153,550                     | -                                                                      | 19.05                                                                                                                   | 1,452,579                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 8   |
| 9      | Pernas Electronics Co., Ltd.      | Silicon Application Corp.                      | 3                                                              | 720,600                                                                   | 200,000                                                                                  | 200,000                                                                          | 100,000                     | -                                                                      | 13.88                                                                                                                   | 720,600                                                                  | N                                                                                 | N                                                                                    | N                                                                                | Note 6   |
| 10     | Asian Information Technology Inc. | Apache Communication Inc.                      | 2                                                              | 3,136,628                                                                 | 483,225                                                                                  | 460,650                                                                          | 325,664                     | -                                                                      | 5.87                                                                                                                    | 3,920,786                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 7   |
| 10     | Asian Information Technology Inc. | Frontek Technology Corporation                 | 2                                                              | 3,136,628                                                                 | 924,298                                                                                  | 883,175                                                                          | 165,144                     | -                                                                      | 11.26                                                                                                                   | 3,920,786                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 7   |
| 10     | Asian Information Technology Inc. | AIT Japan Inc.                                 | 2                                                              | 3,136,628                                                                 | 41,880                                                                                   | 39,923                                                                           | 6,537                       | -                                                                      | 0.51                                                                                                                    | 3,920,786                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 7   |
| 10     | Asian Information Technology Inc. | Henshen Electric Trading Co., Ltd.             | 2                                                              | 3,136,628                                                                 | 400,000                                                                                  | 400,000                                                                          | 27,192                      | -                                                                      | 5.10                                                                                                                    | 3,920,786                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 7   |
| 11     | Trigold Holdings Limited          | Peng Yu Trigold Limited                        | 2                                                              | 1,046,973                                                                 | 491,360                                                                                  | 491,360                                                                          | 122,840                     | -                                                                      | 23.47                                                                                                                   | 1,046,973                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 11  |
| 11     | Trigold Holdings Limited          | WPG C&C Shanghai Co., Ltd.                     | 2                                                              | 1,046,973                                                                 | 44,080                                                                                   | 44,080                                                                           | -                           | -                                                                      | 2.11                                                                                                                    | 1,046,973                                                                | N                                                                                 | N                                                                                    | Y                                                                                | Note 11  |

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

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

- Note 2: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 50% of the Company's stockholder's equity. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The limit on the Company and its subsidiaries' total loan to other companies is less than 60% of the Company's net assets; limited to a single company should not exceed 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets, which is based on the latest audited or reviewed financial statements.
- Note 3: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases for World Peace Industrial Co., Ltd. The book value of those pledged investments is \$85,043.
- Note 4: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The net asset value is based on the latest audited or reviewed financial statements. For the guarantees provided by World Peace Industrial Co., Ltd. to WPI International (Hong Kong) Limited, the outstanding endorsement/guarantee amount at the end of the period was calculated by adding the old and new guarantee amounts due to the early approval by the chairman.
- Note 5: The cumulative guarantee amount to others should not be in excess of 200% of the Company's net assets. The guarantee amount to a single company should not be in excess of 200% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets.
- Note 6: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets; the limit to a single company should not exceed 50% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. Ceiling on total endorsements/guarantees granted by the Company, the Company's ultimate parent company and subsidiaries to a single party is 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 7: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a single company should not be in excess of 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 8: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 9: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 10: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 150% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 11: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The Company's and its subsidiaries' cumulative guarantee amount to others should not be in excess 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets. The guarantee amount to a subsidiary which is 100% directly or indirectly held by the Company should not exceed 50% (not including 50%) of the Company's net assets. The net assets value is based on the latest audit or reviewed financial statements.

WPG Holdings Limited and Subsidiaries  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
Year ended December 31, 2022

Table 3

Expressed in thousands of NTD  
(Except as otherwise indicated)

|                                        |                                                               |                                                              |                                                                                 | As of December 31, 2022            |            |               |                     |          |
|----------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------|------------|---------------|---------------------|----------|
| Securities held by                     | Marketable securities                                         | Relationship with the securities issuer                      | General ledger account                                                          | Number of shares<br>(in thousands) | Book value | Ownership (%) | Fair value (Note 1) | Footnote |
| WPG Holdings Limited                   | Restar Holdings Corporation                                   | None                                                         | Financial assets at fair value through profit or loss - non-current             | 230                                | \$ 110,004 | 0.76          | \$ 110,004          | Note 2   |
| WPG Holdings Limited                   | Tyche Partners L.P. - Funds                                   | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 373,916    | -             | 373,916             |          |
| WPG Holdings Limited                   | CDIB CME Fund Ltd., ... etc. - Equity securities              | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 72,071     | -             | 72,071              |          |
| WPG Holdings Limited                   | T3EX Global Holdings Corp. ... etc. - Equity securities       | None                                                         | Financial assets at fair value through other comprehensive income - non-current | -                                  | 1,552,007  | -             | 1,552,007           |          |
| WPG Holdings Limited                   | WT Microelectronics Co., Ltd.-Preference shares               | The Group's investment accounted for using the equity method | Financial assets at fair value through other comprehensive income - non-current | 24,284                             | 1,159,555  | 17.99         | 1,159,555           | Note 3   |
| Silicon Application Corp.              | Kingmax Technology Inc., ... etc. - Equity securities         | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 11,539     | -             | 11,539              |          |
| World Peace Industrial Co., Ltd.       | Silicon Line GmbH, Munich...etc. - Equity securities          | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 24,068     | -             | 24,068              |          |
| World Peace Industrial Co., Ltd.       | Vesper Technologies Inc.                                      | None                                                         | Financial assets at fair value through other comprehensive income - non-current | -                                  | 31,050     | -             | 31,050              |          |
| AECO Technology Co., Ltd.              | Hua-Jie (Taiwan) Corp. - Equity securities                    | None                                                         | Financial assets at fair value through profit or loss - non-current             | 668                                | 6,684      | 3.32          | 6,684               |          |
| Yosun Industrial Corp.                 | Fortend Taiwan Scientific Corp., ... etc. - Equity securities | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 11,378     | -             | 11,378              |          |
| Yosun Industrial Corp.                 | Golf club memberships of Ta Shee Resort Co., Ltd.             | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 17,100     | -             | 17,100              |          |
| Genuine C&C Inc.                       | Systemweb Technology - Equity securities                      | None                                                         | Financial assets at fair value through profit or loss - non-current             | 700                                | 16,738     | 7.00          | 16,738              |          |
| Richpower Electronic Devices Co., Ltd. | Chipmast Technology Co., Ltd. - Equity securities             | None                                                         | Financial assets at fair value through profit or loss - non-current             | 72                                 | 546        | 1.48          | 546                 |          |
| WPG Investment Co., Ltd.               | Dimerco Express Corporation - Equity securities               | None                                                         | Financial assets at fair value through profit or loss - current                 | 18                                 | 1,223      | 0.01          | 1,223               |          |

| Securities held by                | Marketable securities                                                             | Relationship with the securities issuer | General ledger account                                                          | As of December 31, 2022            |            |               |                     | Footnote |
|-----------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------------------|------------------------------------|------------|---------------|---------------------|----------|
|                                   |                                                                                   |                                         |                                                                                 | Number of shares<br>(in thousands) | Book value | Ownership (%) | Fair value (Note 1) |          |
| WPG Investment Co., Ltd.          | CDIB CME Fund Ltd., ... etc. - Equity securities                                  | None                                    | Financial assets at fair value through profit or loss - non-current             | -                                  | \$ 14,979  | -             | \$ 14,979           |          |
| WPG Investment Co., Ltd.          | Nichidenbo Corporation ... etc. - Equity securities                               | None                                    | Financial assets at fair value through other comprehensive income - non-current | -                                  | 598,471    | -             | 598,471             |          |
| Asian Information Technology Inc. | Golf club memberships of Ta Shee Resort Co., Ltd.                                 | None                                    | Financial assets at fair value through profit or loss – non-current             | -                                  | 17,100     | -             | 17,100              |          |
| Win-Win Systems Ltd.              | Silicon Electronics Company(s) Pte. Ltd. - Equity securities                      | None                                    | Financial assets at fair value through profit or loss - non-current             | 180                                | -          | -             | -                   |          |
| WPG South Asia Pte. Ltd.          | ViMOS Technologies GmbH - Equity securities                                       | None                                    | Financial assets at fair value through profit or loss - non-current             | 20                                 | 664        | 9.00          | 664                 |          |
| WPG China Inc.                    | CECI Technology Co. Ltd. ... etc. - Equity securities                             | None                                    | Financial assets at fair value through profit or loss - non-current             | -                                  | 954,414    | -             | 954,414             |          |
| WPG China Inc.                    | Yiwu Weihao Chuangxin Phase I Equity Investment Partnership (Limited Partnership) | None                                    | Financial assets at fair value through profit or loss - non-current             | -                                  | 93,416     | -             | 93,416              |          |

Note 1: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 2: The original investee company, Vitec Holdings Co., Ltd., was delisted on March 27, 2019. Vitec Holdings Co., Ltd merged with UKC Holdings whereby a new company, Restar Holdings Corporation, was established. The effective date for this merger was April 1, 2019, and the name of the held marketable securities was changed.

Note 3: On September 18, 2020, the Board of Directors of the Group resolved to subscribe WT's series A preference shares in the amount of 24,283,867 shares with a par value of NT\$50 per share, with total consideration of \$1,214,193, based on the shareholding ratio at the effective date of the capital increase in accordance with the application for shares. As of October 15, 2020 (effective date of the capital increase), the Group's shareholding ratio in WT is 17.99% of total outstanding preference shares after subscribing WT's series A preference shares.



WPG Holdings Limited and Subsidiaries  
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital  
Year ended December 31, 2022

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investor                       | Marketable securities               | General ledger account | Counterparty                          | Relationship with the counterparty | Balance as at January 1, 2022   |        | Addition                        |            | Disposal                        |               |            |                         | Balance as at December 31, 2022 |            |
|--------------------------------|-------------------------------------|------------------------|---------------------------------------|------------------------------------|---------------------------------|--------|---------------------------------|------------|---------------------------------|---------------|------------|-------------------------|---------------------------------|------------|
|                                |                                     |                        |                                       |                                    | No. of shares<br>(in thousands) | Amount | No. of shares<br>(in thousands) | Amount     | No. of shares<br>(in thousands) | Selling price | Book value | Gain (loss) on disposal | No. of shares<br>(in thousands) | Amount     |
| WPG Holdings Limited           | WPG Electronics (Hong Kong) Limited | Note 1                 | WPG International (CI) Limited        | Same ultimate parent company       | -                               | \$ -   | 234,082                         | \$ 799,765 | -                               | \$ -          | \$ -       | \$ -                    | 234,082                         | \$ 799,765 |
| WPG Holdings Limited           | WPG South Asia Pte. Ltd.            | Note 1                 | WPG International (CI) Limited        | Same ultimate parent company       | -                               | -      | 34,119                          | 1,116,369  | -                               | -             | -          | -                       | 34,119                          | 1,116,369  |
| WPG International (CI) Limited | WPG Electronics (Hong Kong) Limited | Note 1                 | WPG International (Hong Kong) Limited | Same ultimate parent company       | -                               | -      | 234,082                         | 823,895    | -                               | -             | -          | -                       | 234,082                         | 823,895    |
| WPG South Asia Pte. Ltd.       | Yosun Singapore Pte. Ltd.           | Note 1                 | Suntop Investments Limited            | Same ultimate parent company       | -                               | -      | 20,600                          | 416,863    | -                               | -             | -          | -                       | 20,600                          | 416,863    |
| WPG Holdings Limited           | EDOM Technology Co., Ltd.           | Note 2                 | EDOM Technology Co., Ltd.             | None                               | -                               | -      | 25,000                          | 862,504    | -                               | -             | -          | -                       | 25,000                          | 862,504    |

Note 1: It is recorded as investments accounted for under equity method.

Note 2: It is recorded as financial assets at fair value through other comprehensive income - non-current.

WPG Holdings Limited and Subsidiaries  
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more  
Year ended December 31, 2022

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

|                                                    |                                                    |                                                                         |                      |                 |                                             |             | Differences in transaction terms<br>compared to third party |             |                                     |                                                               |          |
|----------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------|----------------------|-----------------|---------------------------------------------|-------------|-------------------------------------------------------------|-------------|-------------------------------------|---------------------------------------------------------------|----------|
|                                                    |                                                    |                                                                         | Transaction          |                 |                                             |             | transactions                                                |             | Notes/accounts receivable (payable) |                                                               |          |
| Purchaser/seller                                   | Counterparty                                       | Relationship<br>with the<br>counterparty                                | Purchases<br>(sales) | Amount          | Percentage of<br>total purchases<br>(sales) | Credit term | Unit price                                                  | Credit term | Balance                             | Percentage of total<br>notes/accounts<br>receivable (payable) | Footnote |
| WPG Holdings Limited                               | World Peace Industrial Co., Ltd.                   | Same ultimate<br>parent company                                         | Sales                | (\$ 945,392) (  | 53.97)                                      | Note 5      | Note 5                                                      | Note 5      | \$ 115,482                          | 58.14                                                         |          |
| "                                                  | Silicon Application corp.                          | "                                                                       | "                    | ( 231,589) (    | 13.22)                                      | "           | "                                                           | "           | 24,302                              | 12.23                                                         |          |
| "                                                  | Asian Information Technology Inc.                  | "                                                                       | "                    | ( 232,683) (    | 13.28)                                      | "           | "                                                           | "           | 15,186                              | 7.65                                                          |          |
| "                                                  | Yosun Industrial Corp.                             | "                                                                       | "                    | ( 311,693) (    | 17.79)                                      | "           | "                                                           | "           | 39,990                              | 20.13                                                         |          |
| World Peace Industrial Co., Ltd.                   | WPI International (Hong Kong) Limited              | "                                                                       | "                    | ( 12,529,158) ( | 7.82)                                       | Note 3      | Note 3                                                      | Note 3      | 647,516                             | 3.00                                                          |          |
| "                                                  | WPG Electronics (Hong Kong) Limited                | "                                                                       | "                    | ( 1,581,619) (  | 0.99)                                       | "           | "                                                           | "           | 696,118                             | 3.23                                                          |          |
| "                                                  | WPG China (SZ) Inc.                                | "                                                                       | "                    | ( 406,436) (    | 0.25)                                       | "           | "                                                           | "           | 48,192                              | 0.22                                                          |          |
| "                                                  | WPG China Inc.                                     | "                                                                       | "                    | ( 399,209) (    | 0.25)                                       | "           | "                                                           | "           | 70,905                              | 0.33                                                          |          |
| "                                                  | Genuine C&C Inc.                                   | "                                                                       | "                    | ( 273,993) (    | 0.17)                                       | "           | "                                                           | "           | 3,195                               | 0.01                                                          |          |
| "                                                  | Yosun Industrial Corp.                             | "                                                                       | "                    | ( 105,092) (    | 0.07)                                       | "           | "                                                           | "           | 478                                 | -                                                             |          |
| "                                                  | WT Microelectronics Co., Ltd.                      | Investee accounted<br>for using equity<br>method                        | "                    | ( 149,500) (    | 0.09)                                       | "           | "                                                           | "           | 13,541                              | 0.06                                                          |          |
| "                                                  | World Peace International (South Asia)<br>Pte Ltd. | Same ultimate<br>parent company                                         | "                    | ( 211,829) (    | 0.13)                                       | "           | "                                                           | "           | 69,355                              | 0.32                                                          |          |
| Genuine C&C (IndoChina) Pte<br>Ltd.                | WPG P.T. Electrindo Jaya                           | An investee which<br>accounted associates<br>using the equity<br>method | "                    | ( 276,454) (    | 93.99)                                      | "           | "                                                           | "           | 1,098                               | 8.53                                                          |          |
| World Peace International<br>(South Asia) Pte Ltd. | World Peace Industrial Co., Ltd.                   | Same ultimate<br>parent company                                         | "                    | ( 1,026,527) (  | 3.40)                                       | "           | "                                                           | "           | 151,820                             | 2.82                                                          |          |
| "                                                  | WPI International (Hong Kong) Limited              | "                                                                       | "                    | ( 342,648) (    | 1.13)                                       | "           | "                                                           | "           | 25,590                              | 0.48                                                          |          |
| "                                                  | WPG SCM Limited                                    | "                                                                       | "                    | ( 4,167,120) (  | 13.80)                                      | "           | "                                                           | "           | 824,259                             | 15.31                                                         |          |
| "                                                  | WPG P.T. Electrindo Jaya                           | An investee which<br>accounted associates<br>using the equity<br>method | "                    | ( 487,431) (    | 1.61)                                       | "           | "                                                           | "           | 4,006                               | 0.07                                                          |          |

| Differences in transaction terms compared to third party transactions |                                                         |                                            |                   |                |                                       |                                |              |             |                                     |                                                         |          |
|-----------------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------|-------------------|----------------|---------------------------------------|--------------------------------|--------------|-------------|-------------------------------------|---------------------------------------------------------|----------|
| Purchaser/seller                                                      | Counterparty                                            | Relationship with the counterparty         | Transaction       |                |                                       |                                | transactions |             | Notes/accounts receivable (payable) |                                                         | Footnote |
|                                                                       |                                                         |                                            | Purchases (sales) | Amount         | Percentage of total purchases (sales) | Credit term                    | Unit price   | Credit term | Balance                             | Percentage of total notes/accounts receivable (payable) |          |
| World Peace International (South Asia) Pte Ltd.                       | World Peace International (India) Pvt., Ltd.            | Same ultimate parent company               | Sales             | (\$ 114,941) ( | 0.38)                                 | Note 3                         | Note 3       | Note 3      | \$ 8,489                            | 0.16                                                    |          |
| "                                                                     | WPG C&C Comuters and Peripheral (India) Private Limited | "                                          | "                 | ( 1,861,222) ( | 6.16)                                 | "                              | "            | "           | 307,346                             | 5.71                                                    |          |
| "                                                                     | WPG C&C (Malaysia) Sdn. Bhd                             | "                                          | "                 | ( 752,981) (   | 2.49)                                 | "                              | "            | "           | -                                   | -                                                       |          |
| "                                                                     | WPG C&C (Thailand) Co., Ltd.                            | "                                          | "                 | ( 420,280) (   | 1.39)                                 | "                              | "            | "           | 10,002                              | 0.19                                                    |          |
| "                                                                     | WPG Americas Inc.                                       | "                                          | "                 | ( 110,663) (   | 0.37)                                 | "                              | "            | "           | 336                                 | 0.01                                                    |          |
| "                                                                     | WPI International (South Asia) Pte. Ltd.                | "                                          | "                 | ( 1,812,266) ( | 6.00)                                 | "                              | "            | "           | 124,577                             | 2.31                                                    |          |
| WPI International (Hong Kong) Limited                                 | World Peace Industrial Co., Ltd.                        | "                                          | "                 | ( 8,303,666) ( | 3.46)                                 | "                              | "            | "           | 581,166                             | 1.70                                                    |          |
| "                                                                     | WPG Electronics (Hong Kong) Limited                     | "                                          | "                 | ( 2,425,292) ( | 1.01)                                 | "                              | "            | "           | 570,436                             | 1.66                                                    |          |
| "                                                                     | WPG China (SZ) Inc.                                     | "                                          | "                 | ( 2,897,089) ( | 1.21)                                 | "                              | "            | "           | 506,780                             | 1.48                                                    |          |
| "                                                                     | WPG China Inc.                                          | "                                          | "                 | ( 2,596,037) ( | 1.08)                                 | "                              | "            | "           | 378,780                             | 1.10                                                    |          |
| "                                                                     | WPG SCM Limited                                         | "                                          | "                 | ( 1,090,096) ( | 0.45)                                 | "                              | "            | "           | 122,003                             | 0.36                                                    |          |
| "                                                                     | WPG Korea Co., Ltd.                                     | "                                          | "                 | ( 267,480) (   | 0.11)                                 | "                              | "            | "           | 4,415                               | 0.01                                                    |          |
| "                                                                     | Vitec WPG Limited                                       | Investee accounted for using equity method | "                 | ( 382,565) (   | 0.16)                                 | "                              | "            | "           | 48,089                              | 0.14                                                    |          |
| "                                                                     | World Peace International (South Asia) Pte Ltd.         | Same ultimate parent company               | "                 | ( 892,043) (   | 0.37)                                 | "                              | "            | "           | 56,946                              | 0.17                                                    |          |
| "                                                                     | WT Microelectronic (Hong Kong) Limited                  | Investee accounted for using equity method | "                 | ( 277,900) (   | 0.12)                                 | "                              | "            | "           | 553                                 | -                                                       |          |
| Silicon Application corp.                                             | Silicon Application Company Limited                     | Same ultimate parent company               | "                 | ( 131,107) (   | 0.16)                                 | 30 days after monthly billings | Note 4       | Note 4      | 54,372                              | 0.32                                                    |          |
| "                                                                     | Pernas Electronics Co., Ltd.                            | "                                          | "                 | ( 543,157) (   | 0.68)                                 | "                              | "            | "           | 66,200                              | 0.39                                                    |          |
| "                                                                     | WPG Electronics (Hong Kong) Limited                     | "                                          | "                 | ( 4,255,712) ( | 5.32)                                 | 90 days after monthly billings | "            | "           | 1,301,875                           | 7.57                                                    |          |
| "                                                                     | WPG China (SZ) Inc.                                     | "                                          | "                 | ( 1,279,609) ( | 1.60)                                 | "                              | "            | "           | 297,980                             | 1.73                                                    |          |
| "                                                                     | WPG China Inc.                                          | "                                          | "                 | ( 388,162) (   | 0.49)                                 | "                              | "            | "           | 79,256                              | 0.46                                                    |          |
| Pernas Electronics Co., Ltd.                                          | Silicon Application Corp.                               | "                                          | "                 | ( 1,515,689) ( | 25.83)                                | 30 days after monthly billings | "            | "           | 140,202                             | 12.15                                                   |          |

Table 5, Page 2

| Differences in transaction terms compared to third party |                                           |                                                          |                   |              |                                       |                                |               |               |                                     |                                                         |          |
|----------------------------------------------------------|-------------------------------------------|----------------------------------------------------------|-------------------|--------------|---------------------------------------|--------------------------------|---------------|---------------|-------------------------------------|---------------------------------------------------------|----------|
| Purchaser/seller                                         | Counterparty                              | Relationship with the counterparty                       | Transaction       |              |                                       |                                | transactions  |               | Notes/accounts receivable (payable) |                                                         | Footnote |
|                                                          |                                           |                                                          | Purchases (sales) | Amount       | Percentage of total purchases (sales) | Credit term                    | Unit price    | Credit term   | Balance                             | Percentage of total notes/accounts receivable (payable) |          |
| Pernas Electronics Co., Ltd.                             | Everwiner Enterprise Co., Ltd.            | Same ultimate parent company                             | Sales             | (\$ 278,969) | ( 4.75)                               | Note 2                         | Note 4        | Note 4        | \$ 16,933                           | 1.47                                                    |          |
| Everwiner Enterprise Co., Ltd.                           | Silicon Application Corp.                 | "                                                        | "                 | ( 682,336)   | ( 11.88)                              | 30 days after monthly billings | "             | "             | 60,843                              | 4.74                                                    |          |
| "                                                        | Pernas Electronics Co., Ltd.              | "                                                        | "                 | ( 1,652,027) | ( 28.77)                              | Note 2                         | "             | "             | 255,979                             | 19.95                                                   |          |
| Asian Information Technology Inc.                        | Frontek Technology Corporation            | "                                                        | "                 | ( 7,355,321) | ( 17.68)                              | "                              | Note 2        | Note 2        | 2,068,509                           | 25.00                                                   |          |
| "                                                        | Apache Communication Inc.                 | "                                                        | "                 | ( 1,639,280) | ( 3.94)                               | "                              | "             | "             | 219,454                             | 2.65                                                    |          |
| "                                                        | WPG Electronics (Hong Kong) Limited       | "                                                        | "                 | ( 330,526)   | ( 0.79)                               | "                              | "             | "             | 180,202                             | 2.18                                                    |          |
| "                                                        | WPG China (SZ) Inc.                       | "                                                        | "                 | ( 143,929)   | ( 0.35)                               | "                              | "             | "             | 24,604                              | 0.30                                                    |          |
| "                                                        | WPG China Inc.                            | "                                                        | "                 | ( 159,890)   | ( 0.38)                               | "                              | "             | "             | 22,658                              | 0.27                                                    |          |
| "                                                        | Silicon Application Corp.                 | "                                                        | "                 | ( 158,821)   | ( 0.38)                               | "                              | "             | "             | 7,572                               | 0.09                                                    |          |
| "                                                        | Maxtek Technology Co., Ltd.               | Subsidiary of investee accounted for using equity method | "                 | ( 179,114)   | ( 0.43)                               | "                              | "             | "             | 35,815                              | 0.43                                                    |          |
| Frontek Technology Corporation                           | Asian Information Technology Inc.         | Same ultimate parent company                             | "                 | ( 4,428,004) | ( 13.92)                              | "                              | "             | "             | 49,263                              | 0.81                                                    |          |
| "                                                        | WPG Electronics (Hong Kong) Limited       | "                                                        | "                 | ( 437,710)   | ( 1.38)                               | "                              | "             | "             | 179,518                             | 2.95                                                    |          |
| "                                                        | WPG China Inc.                            | "                                                        | "                 | ( 148,995)   | ( 0.47)                               | "                              | "             | "             | 18,512                              | 0.30                                                    |          |
| Apache Communication Inc.                                | Asian Information Technology Inc.         | "                                                        | "                 | ( 1,192,488) | ( 3.83)                               | "                              | "             | "             | 206,604                             | 5.57                                                    |          |
| WPG Electronics (Hong Kong) Limited                      | World Peace Industrial Co., Ltd.          | "                                                        | "                 | ( 2,117,296) | ( 7.66)                               | Notes 3 and 5                  | Notes 3 and 5 | Notes 3 and 5 | 1,408,357                           | 26.34                                                   |          |
| "                                                        | WPI International (Hong Kong) Limited     | "                                                        | "                 | ( 7,286,171) | ( 26.36)                              | "                              | "             | "             | 2,558,029                           | 47.84                                                   |          |
| "                                                        | WPG China (SZ) Inc.                       | "                                                        | "                 | ( 364,349)   | ( 1.32)                               | Note 3                         | Note 3        | Note 3        | 42,650                              | 0.80                                                    |          |
| "                                                        | Richpower Electronic Devices Co., Limited | "                                                        | "                 | ( 135,056)   | ( 0.49)                               | Notes 3 and 5                  | Notes 3 and 5 | Notes 3 and 5 | 38,639                              | 0.72                                                    |          |
| "                                                        | Peng Yu International Limited             | "                                                        | "                 | ( 135,069)   | ( 0.49)                               | "                              | "             | "             | 12,680                              | 0.24                                                    |          |
| "                                                        | Peng Yu Trigold Limited                   | "                                                        | "                 | ( 5,525,849) | ( 19.99)                              | "                              | "             | "             | 382,411                             | 7.15                                                    |          |
| WPG China (SZ) Inc.                                      | WPG China Inc.                            | "                                                        | "                 | ( 424,676)   | ( 3.53)                               | Note 6                         | Note 6        | Note 6        | -                                   | -                                                       |          |
| WPG China Inc.                                           | WPG China (SZ) Inc.                       | "                                                        | "                 | ( 1,037,395) | ( 5.87)                               | Note 3                         | Note 4        | Note 4        | 169,942                             | 4.46                                                    |          |

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|                                           |                                                    |                                                  |                      |              |                                             |               | Differences in transaction terms<br>compared to third party transactions |               |                                     |                                                               |          |
|-------------------------------------------|----------------------------------------------------|--------------------------------------------------|----------------------|--------------|---------------------------------------------|---------------|--------------------------------------------------------------------------|---------------|-------------------------------------|---------------------------------------------------------------|----------|
| Purchaser/seller                          | Counterparty                                       | Relationship<br>with the<br>counterparty         | Transaction          |              |                                             |               |                                                                          |               | Notes/accounts receivable (payable) |                                                               | Footnote |
|                                           |                                                    |                                                  | Purchases<br>(sales) | Amount       | Percentage of<br>total purchases<br>(sales) | Credit term   | Unit price                                                               | Credit term   | Balance                             | Percentage of total<br>notes/accounts<br>receivable (payable) |          |
| WPG Americas Inc.                         | World Peace Industrial Co., Ltd.                   | Same ultimate<br>parent company                  | Sales                | (\$ 933,814) | ( 4.58)                                     | Note 3        | Note 3                                                                   | Note 3        | \$ 75,547                           | 2.74                                                          |          |
| "                                         | Yosun Industrial Corp.                             | "                                                | "                    | ( 510,964)   | ( 2.51)                                     | "             | "                                                                        | "             | 73,020                              | 2.65                                                          |          |
| WPG South Asia Pte. Ltd.                  | Yosun Singapore Pte Ltd.                           | "                                                | "                    | ( 130,853)   | ( 5.36)                                     | Notes 3 and 5 | Notes 3 and 5                                                            | Notes 3 and 5 | -                                   | -                                                             |          |
| "                                         | World Peace International (South Asia)<br>Pte Ltd. | "                                                | "                    | ( 574,836)   | ( 23.55)                                    | "             | "                                                                        | "             | -                                   | -                                                             |          |
| Yosun Industrial Corp.                    | WPG China (SZ) Inc.                                | "                                                | "                    | ( 789,258)   | ( 2.04)                                     | Note 6        | Note 6                                                                   | Note 6        | 108,236                             | 2.93                                                          |          |
| "                                         | WPG China Inc.                                     | "                                                | "                    | ( 645,483)   | ( 1.66)                                     | "             | "                                                                        | "             | 140,650                             | 3.81                                                          |          |
| "                                         | Yosun Hong Kong Corp. Ltd.                         | "                                                | "                    | ( 4,433,574) | ( 11.43)                                    | Note 3        | Note 3                                                                   | Note 3        | 306,467                             | 8.29                                                          |          |
| "                                         | Richpower Electronic Devices Co., Ltd.             | "                                                | "                    | ( 130,028)   | ( 0.34)                                     | "             | "                                                                        | "             | 9,574                               | 0.26                                                          |          |
| "                                         | Richpower Electronic Devices Co.,<br>Limited       | "                                                | "                    | ( 111,837)   | ( 0.29)                                     | "             | "                                                                        | "             | 64                                  | -                                                             |          |
| Yosun Hong Kong Corp. Ltd.                | WPG China (SZ) Inc.                                | "                                                | "                    | ( 439,661)   | ( 0.86)                                     | Note 6        | Note 6                                                                   | Note 6        | 38,830                              | 0.72                                                          |          |
| "                                         | WPG China Inc.                                     | "                                                | "                    | ( 893,381)   | ( 1.75)                                     | "             | "                                                                        | "             | 122,200                             | 2.25                                                          |          |
| "                                         | Yosun Industrial Corp.                             | "                                                | "                    | ( 7,428,914) | ( 14.52)                                    | Note 3        | Note 3                                                                   | Note 3        | 70,495                              | 1.30                                                          |          |
| "                                         | Richpower Electronic Devices Co.,<br>Limited       | "                                                | "                    | ( 2,147,120) | ( 4.20)                                     | "             | "                                                                        | "             | 68,604                              | 1.27                                                          |          |
| "                                         | Yosun Shanghai Corp. Ltd.                          | "                                                | "                    | ( 152,083)   | ( 0.30)                                     | Note 6        | Note 6                                                                   | Note 6        | 144,646                             | 2.67                                                          |          |
| "                                         | WT Microelectronics Co., Ltd.                      | Investee accounted<br>for using equity<br>method | "                    | ( 213,227)   | ( 0.42)                                     | Note 3        | Note 3                                                                   | Note 3        | 72,139                              | 1.33                                                          |          |
| Yosun Singapore Pte Ltd.                  | WPG SCM Limited                                    | Same ultimate<br>parent company                  | "                    | ( 554,918)   | ( 6.28)                                     | "             | "                                                                        | "             | 58,472                              | 5.35                                                          |          |
| "                                         | Yosun Hong Kong Corp. Ltd.                         | "                                                | "                    | ( 133,141)   | ( 1.51)                                     | "             | "                                                                        | "             | 1,811                               | 0.17                                                          |          |
| Sertek Incorporated                       | Yosun Industrial Corp.                             | "                                                | "                    | ( 793,172)   | ( 5.47)                                     | "             | "                                                                        | "             | 80,463                              | 21.26                                                         |          |
| "                                         | Yosun Hong Kong Corp. Ltd.                         | "                                                | "                    | ( 672,319)   | ( 4.64)                                     | "             | "                                                                        | "             | 53,356                              | 14.10                                                         |          |
| Richpower Electronic Devices<br>Co., Ltd. | Silicon Application corp.                          | "                                                | "                    | ( 1,459,822) | ( 8.47)                                     | "             | "                                                                        | "             | 48,947                              | 2.05                                                          |          |
| "                                         | WPG Electronics (Hong Kong) Limited                | "                                                | "                    | ( 978,655)   | ( 5.68)                                     | "             | "                                                                        | "             | 285,745                             | 11.95                                                         |          |
| "                                         | Yosun Industrial Corp.                             | "                                                | "                    | ( 541,401)   | ( 3.14)                                     | "             | "                                                                        | "             | 61,579                              | 2.58                                                          |          |
| "                                         | Sertek Incorporated                                | "                                                | "                    | ( 112,127)   | ( 0.65)                                     | "             | "                                                                        | "             | 7,433                               | 0.31                                                          |          |

Table 5, Page 4

|                                                 |                                           |                                          |                      |              |                                             |             | Differences in transaction terms<br>compared to third party |             |                                     |                                                               |          |
|-------------------------------------------------|-------------------------------------------|------------------------------------------|----------------------|--------------|---------------------------------------------|-------------|-------------------------------------------------------------|-------------|-------------------------------------|---------------------------------------------------------------|----------|
| Purchaser/seller                                | Counterparty                              | Relationship<br>with the<br>counterparty | Transaction          |              |                                             |             | transactions                                                |             | Notes/accounts receivable (payable) |                                                               | Footnote |
|                                                 |                                           |                                          | Purchases<br>(sales) | Amount       | Percentage of<br>total purchases<br>(sales) | Credit term | Unit price                                                  | Credit term | Balance                             | Percentage of total<br>notes/accounts<br>receivable (payable) |          |
| Richpower Electronic Devices Co., Limited       | WPG China (SZ) Inc.                       | Same ultimate parent company             | Sales                | (\$ 200,706) | ( 1.04)                                     | Note 6      | Note 6                                                      | Note 6      | \$ 25,517                           | 0.74                                                          |          |
| "                                               | Yosun Industrial Corp.                    | "                                        | "                    | ( 473,513)   | ( 2.46)                                     | Note 3      | Note 3                                                      | Note 3      | 136,746                             | 3.95                                                          |          |
| "                                               | Yosun Hong Kong Corp. Ltd.                | "                                        | "                    | ( 3,856,568) | ( 20.03)                                    | "           | "                                                           | "           | 255,773                             | 7.39                                                          |          |
| "                                               | Richpower Electronic Devices Co., Ltd.    | "                                        | "                    | ( 618,414)   | ( 3.21)                                     | "           | "                                                           | "           | 42,431                              | 1.26                                                          |          |
| "                                               | WPI International (Hong Kong) Limited     | "                                        | "                    | ( 465,563)   | ( 2.42)                                     | "           | "                                                           | "           | 34,568                              | 1.00                                                          |          |
| LaaS (Dongguan) Supply Chain Management Limited | World Peace Industrial Co., Ltd.          | "                                        | "                    | ( 108,286)   | ( 21.95)                                    | "           | "                                                           | "           | 6,789                               | 17.15                                                         |          |
| Peng Yu Trigold Limited                         | WPG C&C Shanghai Co., Ltd.                | "                                        | "                    | ( 2,184,899) | ( 32.26)                                    | Note 2      | Note 2                                                      | Note 2      | 10,510                              | 2.39                                                          |          |
| "                                               | Yosun Industrial Corp.                    | "                                        | "                    | ( 103,638)   | ( 1.53)                                     | "           | "                                                           | "           | -                                   | -                                                             |          |
| "                                               | Yosun Hong Kong Corp. Ltd.                | "                                        | "                    | ( 184,763)   | ( 2.73)                                     | "           | "                                                           | "           | -                                   | -                                                             |          |
| "                                               | Richpower Electronic Devices Co., Limited | "                                        | "                    | ( 209,379)   | ( 3.09)                                     | "           | "                                                           | "           | 21,900                              | 4.97                                                          |          |
| "                                               | WPI International (Hong Kong) Limited     | "                                        | "                    | ( 733,180)   | ( 10.83)                                    | "           | "                                                           | "           | 224,636                             | 51.03                                                         |          |
| "                                               | World Peace Industrial Co., Ltd.          | "                                        | "                    | ( 1,152,276) | ( 17.01)                                    | "           | "                                                           | "           | 4,450                               | 1.01                                                          |          |
| "                                               | WPG Electronics (Hong Kong) Limited       | "                                        | "                    | ( 858,958)   | ( 12.68)                                    | "           | "                                                           | "           | 134,381                             | 30.53                                                         |          |

Note 1: As the related party transactions of consolidated subsidiaries exceeding \$100 million are voluminous, the related information disclosed here is from the sales aspect.

Note 2: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 3: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 5: The income arose from the provision of administrative resources and management services, and the sales price and terms were determined by the parties.

Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

WPG Holdings Limited and Subsidiaries  
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more  
Year ended December 31, 2022

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Creditor                                        | Counterparty                                             | Relationship<br>with the counterparty | Balance as at<br>December 31, 2022<br>(Note 1) | Turnover rate<br>(Note 2) | Overdue receivables |              | Amount collected<br>subsequent to<br>the balance<br>sheet date (Note 3) | Allowance for<br>doubtful accounts |
|-------------------------------------------------|----------------------------------------------------------|---------------------------------------|------------------------------------------------|---------------------------|---------------------|--------------|-------------------------------------------------------------------------|------------------------------------|
|                                                 |                                                          |                                       |                                                |                           | Amount              | Action taken |                                                                         |                                    |
| WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                         | Same ultimate parent company          | \$ 115,482                                     | 10.43                     | \$ -                | -            | \$ 107,290                                                              | \$ -                               |
| World Peace Industrial Co., Ltd.                | WPI International (Hong Kong) Limited                    | "                                     | 647,516                                        | 10.73                     | -                   | -            | 647,516                                                                 | -                                  |
| World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited                      | "                                     | 696,118                                        | 3.21                      | 40,142              | -            | 209,510                                                                 | -                                  |
| World Peace International (South Asia) Pte Ltd. | World Peace Industrial Co., Ltd.                         | "                                     | 151,820                                        | 12.44                     | -                   | -            | 4,113                                                                   | -                                  |
| World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited | "                                     | 307,346                                        | 7.83                      | -                   | -            | 307,346                                                                 | -                                  |
| World Peace International (South Asia) Pte Ltd. | WPI International (South Asia) Pte Ltd.                  | "                                     | 124,577                                        | 29.09                     | -                   | -            | 124,577                                                                 | -                                  |
| World Peace International (South Asia) Pte Ltd. | WPG SCM Limited                                          | "                                     | 824,259                                        | 5.62                      | -                   | -            | 308,270                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                         | "                                     | 581,166                                        | 9.03                      | -                   | -            | 581,166                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG China (SZ) Inc.                                      | "                                     | 506,780                                        | 5.50                      | -                   | -            | 275,983                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG China Inc.                                           | "                                     | 378,780                                        | 5.06                      | -                   | -            | 316,057                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited                      | "                                     | 570,436                                        | 3.02                      | -                   | -            | 300,803                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG SCM Limited                                          | "                                     | 122,003                                        | 11.68                     | -                   | -            | 122,003                                                                 | -                                  |
| Silicon Application Corp.                       | WPG China (SZ) Inc.                                      | "                                     | 297,980                                        | 3.94                      | 4,444               | -            | 140,497                                                                 | -                                  |
| Silicon Application Corp.                       | WPG Electronics (Hong Kong) Limited                      | "                                     | 1,301,875                                      | 2.89                      | 62,055              | -            | 622,930                                                                 | -                                  |
| Pernas Electronics Co., Ltd.                    | Silicon Application Corp.                                | "                                     | 140,202                                        | 6.97                      | -                   | -            | 140,202                                                                 | -                                  |
| Everwiner Enterprise Co., Ltd.                  | Pernas Electronics Co., Ltd.                             | "                                     | 255,979                                        | 5.53                      | -                   | -            | 126,251                                                                 | -                                  |
| Asian Information Technology Inc.               | Frontek Technology Corporation                           | "                                     | 2,068,509                                      | 3.40                      | -                   | -            | 486,210                                                                 | -                                  |
| Asian Information Technology Inc.               | Apache Communication Inc.                                | "                                     | 219,454                                        | 6.27                      | -                   | -            | 110,823                                                                 | -                                  |
| Asian Information Technology Inc.               | WPG Electronics (Hong Kong) Limited                      | "                                     | 180,202                                        | 2.61                      | -                   | -            | 69,546                                                                  | -                                  |
| Frontek Technology Corporation                  | WPG Electronics (Hong Kong) Limited                      | "                                     | 179,518                                        | 2.15                      | -                   | -            | 70,651                                                                  | -                                  |
| Apache Communication Inc.                       | Asian Information Technology Inc.                        | "                                     | 206,604                                        | 1.81                      | -                   | -            | -                                                                       | -                                  |
| WPG China Inc.                                  | WPG China (SZ) Inc.                                      | "                                     | 169,942                                        | 4.40                      | -                   | -            | 46,145                                                                  | -                                  |
| Yosun Industrial Corp.                          | WPG China (SZ) Inc.                                      | "                                     | 108,236                                        | 5.86                      | -                   | -            | 52,596                                                                  | -                                  |
| Yosun Industrial Corp.                          | WPG China Inc.                                           | "                                     | 140,650                                        | 4.33                      | -                   | -            | 39,721                                                                  | -                                  |

| Creditor                                        | Counterparty                                    | Relationship<br>with the counterparty | Balance as at<br>December 31, 2022<br>(Note 1) | Turnover rate<br>(Note 2) | Overdue receivables |              | Amount collected<br>subsequent to<br>the balance<br>sheet date (Note 3) | Allowance for<br>doubtful accounts |
|-------------------------------------------------|-------------------------------------------------|---------------------------------------|------------------------------------------------|---------------------------|---------------------|--------------|-------------------------------------------------------------------------|------------------------------------|
|                                                 |                                                 |                                       |                                                |                           | Amount              | Action taken |                                                                         |                                    |
| Yosun Industrial Corp.                          | Yosun Hong Kong Corp. Ltd.                      | Same ultimate parent company          | \$ 306,467                                     | 24.36                     | \$ -                | -            | \$ 306,467                                                              | -                                  |
| Yosun Hong Kong Corp. Ltd.                      | WPG China Inc.                                  | "                                     | 122,200                                        | 3.76                      | -                   | -            | 34,829                                                                  | -                                  |
| Yosun Hong Kong Corp. Ltd.                      | Yosun Shanghai Corp. Ltd.                       | "                                     | 144,646                                        | 2.07                      | -                   | -            | 8,284                                                                   | -                                  |
| Richpower Electronic Devices Co., Ltd           | WPG Electronics (Hong Kong) Limited             | "                                     | 285,745                                        | 2.68                      | 3,374               | -            | 147,475                                                                 | -                                  |
| Richpower Electronic Devices Co., Limited       | Yosun Industrial Corp.                          | "                                     | 136,746                                        | 4.87                      | -                   | -            | 84,240                                                                  | -                                  |
| Richpower Electronic Devices Co., Limited       | Yosun Hong Kong Corp. Ltd.                      | "                                     | 255,773                                        | 24.17                     | -                   | -            | 255,773                                                                 | -                                  |
| Peng Yu Trigold Limited                         | WPI International (Hong Kong) Limited           | "                                     | 134,381                                        | 7.91                      | -                   | -            | 134,381                                                                 | -                                  |
| Peng Yu Trigold Limited                         | WPG Electronics (Hong Kong) Limited             | "                                     | 224,636                                        | 6.04                      | -                   | -            | 117,186                                                                 | -                                  |
| WPG Electronics (Hong Kong) Limited             | World Peace Industrial Co., Ltd.                | "                                     | 1,408,357                                      | 2.87                      | -                   | -            | 54,271                                                                  | -                                  |
| WPG Electronics (Hong Kong) Limited             | WPI International (Hong Kong) Limited           | "                                     | 2,558,029                                      | 2.62                      | -                   | -            | 1,858,357                                                               | -                                  |
| WPG Electronics (Hong Kong) Limited             | Peng Yu Trigold Limited                         | "                                     | 382,411                                        | 7.38                      | -                   | -            | 382,411                                                                 | -                                  |
| WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                | "                                     | 326,421                                        | 0.00                      | -                   | -            | 98                                                                      | -                                  |
| WPG Holdings Limited                            | Yosun Industrial Corp.                          | "                                     | 120,559                                        | 0.00                      | -                   | -            | 39                                                                      | -                                  |
| World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited             | "                                     | 948,405                                        | 0.00                      | -                   | -            | 3,565                                                                   | -                                  |
| WPI International (South Asia) Pte. Ltd.        | World Peace International (South Asia) Pte Ltd. | "                                     | 108,194                                        | 0.00                      | -                   | -            | 34                                                                      | -                                  |
| WPI International (South Asia) Pte. Ltd.        | WPG SCM Limited                                 | "                                     | 158,525                                        | 0.00                      | -                   | -            | 158,525                                                                 | -                                  |
| World Peace International (South Asia) Pte Ltd. | WPG South Asia Pte. Ltd.                        | "                                     | 241,110                                        | 0.00                      | -                   | -            | 241,108                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                | "                                     | 1,237,921                                      | 0.00                      | -                   | -            | 6,025                                                                   | -                                  |
| WPI International (Hong Kong) Limited           | WPG China Inc.                                  | "                                     | 693,010                                        | 0.00                      | -                   | -            | 419,483                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | World Peace International (South Asia) Pte Ltd. | "                                     | 644,605                                        | 0.00                      | -                   | -            | 322,756                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited             | "                                     | 5,004,427                                      | 0.00                      | -                   | -            | 10,363                                                                  | -                                  |
| WPG C&C Limited                                 | WPI International (Hong Kong) Limited           | "                                     | 247,688                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Long-Think International (Hong Kong) Limited    | WPI International (Hong Kong) Limited           | "                                     | 465,818                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| AECO Electronics Co., Ltd.                      | WPI International (Hong Kong) Limited           | "                                     | 748,226                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Silicon Application Company Limited             | Silicon Application corp.                       | "                                     | 713,894                                        | 0.00                      | -                   | -            | 3,767                                                                   | -                                  |
| Silicon Application Company Limited             | WPG Electronics (Hong Kong) Limited             | "                                     | 1,044,518                                      | 0.00                      | -                   | -            | 1,044,518                                                               | -                                  |
| Pernas Electronics Co., Ltd.                    | Everwiner Enterprise Co., Ltd.                  | "                                     | 203,763                                        | 0.00                      | -                   | -            | 1,388                                                                   | -                                  |
| Apache Communication Inc.                       | Henshen Electric Trading Co., Ltd.              | "                                     | 408,305                                        | 0.00                      | -                   | -            | 55,798                                                                  | -                                  |

Table 6, Page 2



| Creditor                              | Counterparty                                    | Relationship<br>with the counterparty | Balance as at<br>December 31, 2022<br>(Note 1) | Turnover rate<br>(Note 2) | Overdue receivables |              | Amount collected<br>subsequent to<br>the balance<br>sheet date (Note 3) | Allowance for<br>doubtful accounts |
|---------------------------------------|-------------------------------------------------|---------------------------------------|------------------------------------------------|---------------------------|---------------------|--------------|-------------------------------------------------------------------------|------------------------------------|
|                                       |                                                 |                                       |                                                |                           | Amount              | Action taken |                                                                         |                                    |
| Apache Communication Inc.             | Frontek Technology Corporation                  | Same ultimate parent company          | \$ 465,226                                     | 0.00                      | \$ -                | -            | \$ -                                                                    | \$ -                               |
| WPG China (SZ) Inc.                   | LaaS (Dongguan) Supply Chain Management Limited | "                                     | 135,808                                        | 0.00                      | -                   | -            | 44,080                                                                  | -                                  |
| Yosun Industrial Corp.                | Yosun Shanghai Corp. Ltd.                       | "                                     | 266,599                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Suntop Investments Limited            | WPG South Asia Pte. Ltd.                        | "                                     | 416,863                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Yosun Hong Kong Corp. Ltd.            | Yosun Industrial Corp.                          | "                                     | 266,728                                        | 0.00                      | -                   | -            | 518                                                                     | -                                  |
| Yosun Hong Kong Corp. Ltd.            | Yosun Singapore Pte Ltd.                        | "                                     | 256,580                                        | 0.00                      | -                   | -            | 171                                                                     | -                                  |
| Yosun South China Corp. Ltd.          | Yosun Shanghai Corp. Ltd.                       | "                                     | 199,697                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Sertek Incorporated                   | Richpower Electronic Devices Co., Ltd           | "                                     | 559,925                                        | 0.00                      | -                   | -            | 311,133                                                                 | -                                  |
| Richpower Electronic Devices Pte Ltd. | Yosun Singapore Pte Ltd.                        | "                                     | 236,653                                        | 0.00                      | -                   | -            | 186                                                                     | -                                  |
| Trigold Holdings Limited              | Peng Yu Trigold Limited                         | "                                     | 159,661                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Peng Yu International Limited         | Peng Yu Trigold Limited                         | "                                     | 232,407                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| WPG C&C Shanghai Co., Ltd.            | LaaS (Dongguan) Supply Chain Management Limited | "                                     | 301,399                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| WPG South Asia Pte. Ltd.              | WPG Korea Co., Ltd.                             | "                                     | 432,603                                        | 0.00                      | -                   | -            | 122,840                                                                 | -                                  |
| WPG SCM Limited                       | WPG Korea Co., Ltd.                             | "                                     | 215,959                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| WPG SCM Limited                       | WPG Electronics (Hong Kong) Limited             | "                                     | 308,615                                        | 0.00                      | -                   | -            | 1,515                                                                   | -                                  |
| WPG International (Hong Kong) Limited | WPG International (CI) Limited                  | "                                     | 796,908                                        | 0.00                      | -                   | -            | 796,908                                                                 | -                                  |
| WPG International (CI) Limited        | WPG Holdings Limited                            | "                                     | 1,916,134                                      | 0.00                      | -                   | -            | -                                                                       | -                                  |

Note 1: Balance as at December 31, 2022 includes other receivables that exceed \$100,000.

Note 2: Turnover rate of 0.00 was caused by the receivables amount recorded as other receivables, and thus the turnover rate is not applicable. The nature of certain other receivables pertains to loans to others, refer to table 1 for details.

Note 3: The subsequent collections are those receivables collected as of February 14, 2023.

WPG Holdings Limited and Subsidiaries  
Significant inter-company transactions during the reporting period  
Year ended December 31, 2022

Table 7

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Number<br>(Note 1) | Company name                                    | Counterparty                                             | Relationship<br>(Note 2) | Transaction            |            |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|----------------------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                          |                          | General ledger account | Amount     | Transaction terms |                                                                                       |
| 0                  | WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                         | 1                        | Sales                  | \$ 945,392 | Note 11           | 0.12                                                                                  |
| 0                  | WPG Holdings Limited                            | Silicon Application Corp.                                | 1                        | "                      | 231,589    | Note 11           | 0.03                                                                                  |
| 0                  | WPG Holdings Limited                            | Asian Information Technology Inc.                        | 1                        | "                      | 232,683    | Note 11           | 0.03                                                                                  |
| 0                  | WPG Holdings Limited                            | Yosun Industrial Corp.                                   | 1                        | "                      | 311,693    | Note 11           | 0.04                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPI International (Hong Kong) Limited                    | 3                        | "                      | 12,529,158 | Note 5            | 1.62                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG China (SZ) Inc.                                      | 3                        | "                      | 406,436    | Note 5            | 0.05                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG China Inc.                                           | 3                        | "                      | 399,209    | Note 5            | 0.05                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | Yosun Industrial Corp.                                   | 3                        | "                      | 105,092    | Note 5            | 0.01                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | Genuine C&C Inc.                                         | 3                        | "                      | 273,993    | Note 5            | 0.04                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | World Peace International (South Asia) Pte Ltd.          | 3                        | "                      | 211,829    | Note 5            | 0.03                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 1,581,619  | Note 5            | 0.20                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | World Peace Industrial Co., Ltd.                         | 3                        | "                      | 1,026,527  | Note 5            | 0.13                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPI International (Hong Kong) Limited                    | 3                        | "                      | 342,648    | Note 5            | 0.04                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG Americas Inc.                                        | 3                        | "                      | 110,663    | Note 5            | 0.01                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | World Peace International (India) Pvt., Ltd.             | 3                        | "                      | 114,941    | Note 5            | 0.01                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited | 3                        | "                      | 1,861,222  | Note 5            | 0.24                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG C&C (Malaysia) Sdn. Bhd                              | 3                        | "                      | 752,981    | Note 5            | 0.10                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG C&C (Thailand) Co., Ltd.                             | 3                        | "                      | 420,280    | Note 5            | 0.05                                                                                  |

| Number<br>(Note 1) | Company name                                    | Counterparty                                    | Relationship<br>(Note 2) | Transaction            |              |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|-------------------------------------------------|--------------------------|------------------------|--------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                 |                          | General ledger account | Amount       | Transaction terms |                                                                                       |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPI International (South Asia) Pte. Ltd.        | 3                        | Sales                  | \$ 1,812,266 | Note 5            | 0.23                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG SCM Limited                                 | 3                        | "                      | 4,167,120    | Note 5            | 0.54                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                | 3                        | "                      | 8,303,666    | Note 5            | 1.07                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China (SZ) Inc.                             | 3                        | "                      | 2,897,089    | Note 5            | 0.37                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China Inc.                                  | 3                        | "                      | 2,596,037    | Note 5            | 0.33                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG Korea Co., Ltd.                             | 3                        | "                      | 267,480      | Note 5            | 0.03                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace International (South Asia) Pte Ltd. | 3                        | "                      | 892,043      | Note 5            | 0.12                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 2,425,292    | Note 5            | 0.31                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG SCM Limited                                 | 3                        | "                      | 1,090,096    | Note 5            | 0.14                                                                                  |
| 4                  | Silicon Application Corp.                       | Silicon Application Company Limited             | 3                        | "                      | 131,107      | Notes 9 and 11    | 0.02                                                                                  |
| 4                  | Silicon Application Corp.                       | Pernas Electronics Co., Ltd.                    | 3                        | "                      | 543,157      | Notes 9 and 11    | 0.07                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG China (SZ) Inc.                             | 3                        | "                      | 1,279,609    | Notes 9 and 12    | 0.17                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG China Inc.                                  | 3                        | "                      | 388,162      | Notes 9 and 12    | 0.05                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 4,255,712    | Notes 9 and 12    | 0.55                                                                                  |
| 5                  | Pernas Electronics Co., Ltd.                    | Silicon Application corp.                       | 3                        | "                      | 1,515,689    | Notes 9 and 11    | 0.20                                                                                  |
| 5                  | Pernas Electronics Co., Ltd.                    | Everwiner Enterprise Co., Ltd.                  | 3                        | "                      | 278,969      | Note 4            | 0.04                                                                                  |
| 6                  | Everwiner Enterprise Co., Ltd.                  | Silicon Application corp.                       | 3                        | "                      | 682,336      | Notes 9 and 11    | 0.09                                                                                  |
| 6                  | Everwiner Enterprise Co., Ltd.                  | Pernas Electronics Co., Ltd.                    | 3                        | "                      | 1,652,027    | Note 4            | 0.21                                                                                  |
| 7                  | Asian Information Technology Inc.               | Silicon Application corp.                       | 3                        | "                      | 158,821      | Note 4            | 0.02                                                                                  |
| 7                  | Asian Information Technology Inc.               | Frontek Technology Corporation                  | 3                        | "                      | 7,355,321    | Note 4            | 0.95                                                                                  |
| 7                  | Asian Information Technology Inc.               | Apache Communication Inc.                       | 3                        | "                      | 1,639,280    | Note 4            | 0.21                                                                                  |
| 7                  | Asian Information Technology Inc.               | WPG China (SZ) Inc.                             | 3                        | "                      | 143,929      | Note 4            | 0.02                                                                                  |
| 7                  | Asian Information Technology Inc.               | WPG China Inc.                                  | 3                        | "                      | 159,890      | Note 4            | 0.02                                                                                  |
| 7                  | Asian Information Technology Inc.               | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 330,526      | Note 4            | 0.04                                                                                  |
| 8                  | Frontek Technology Corporation                  | Asian Information Technology Inc.               | 3                        | "                      | 4,428,004    | Note 4            | 0.57                                                                                  |

Table 7, Page 2

| Number<br>(Note 1) | Company name                              | Counterparty                              | Relationship<br>(Note 2) | Transaction            |            |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------|-------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                           |                                           |                          | General ledger account | Amount     | Transaction terms |                                                                                       |
| 8                  | Frontek Technology Corporation            | WPG China Inc.                            | 3                        | Sales                  | \$ 148,995 | Note 4            | 0.02                                                                                  |
| 8                  | Frontek Technology Corporation            | WPG Electronics (Hong Kong) Limited       | 3                        | "                      | 437,710    | Note 4            | 0.06                                                                                  |
| 9                  | Apache Communication Inc.                 | Asian Information Technology Inc.         | 3                        | "                      | 1,192,488  | Note 4            | 0.15                                                                                  |
| 11                 | WPG China (SZ) Inc.                       | WPG China Inc.                            | 3                        | "                      | 424,676    | Note 8            | 0.05                                                                                  |
| 12                 | WPG China Inc.                            | WPG China (SZ) Inc.                       | 3                        | "                      | 1,037,395  | Note 5            | 0.13                                                                                  |
| 13                 | WPG Americas Inc.                         | World Peace Industrial Co., Ltd.          | 3                        | "                      | 933,814    | Note 5            | 0.12                                                                                  |
| 13                 | WPG Americas Inc.                         | Yosun Industrial Corp.                    | 3                        | "                      | 510,964    | Note 5            | 0.07                                                                                  |
| 15                 | Yosun Industrial Corp.                    | WPG China (SZ) Inc.                       | 3                        | "                      | 789,258    | Note 8            | 0.10                                                                                  |
| 15                 | Yosun Industrial Corp.                    | WPG China Inc.                            | 3                        | "                      | 645,483    | Note 8            | 0.08                                                                                  |
| 15                 | Yosun Industrial Corp.                    | Yosun Hong Kong Corp. Ltd.                | 3                        | "                      | 4,433,574  | Note 5            | 0.57                                                                                  |
| 15                 | Yosun Industrial Corp.                    | Richpower Electronic Devices Co., Ltd.    | 3                        | "                      | 130,028    | Note 5            | 0.02                                                                                  |
| 15                 | Yosun Industrial Corp.                    | Richpower Electronic Devices Co., Limited | 3                        | "                      | 111,837    | Note 5            | 0.01                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | WPG China (SZ) Inc.                       | 3                        | "                      | 439,661    | Note 8            | 0.06                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | WPG China Inc.                            | 3                        | "                      | 893,381    | Note 8            | 0.12                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | Yosun Industrial Corp.                    | 3                        | "                      | 7,428,914  | Note 5            | 0.96                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | Yosun Shanghai Corp. Ltd.                 | 3                        | "                      | 152,083    | Note 8            | 0.02                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | Richpower Electronic Devices Co., Limited | 3                        | "                      | 2,147,120  | Note 5            | 0.28                                                                                  |
| 18                 | Sertek Incorporated                       | Yosun Industrial Corp.                    | 3                        | "                      | 793,172    | Note 5            | 0.10                                                                                  |
| 18                 | Sertek Incorporated                       | Yosun Hong Kong Corp. Ltd.                | 3                        | "                      | 672,319    | Note 5            | 0.09                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.    | Silicon Application Corp.                 | 3                        | "                      | 1,459,822  | Note 5            | 0.19                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.    | Yosun Industrial Corp.                    | 3                        | "                      | 541,401    | Note 5            | 0.07                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.    | Sertek Incorporated                       | 3                        | "                      | 112,127    | Note 5            | 0.01                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.    | WPG Electronics (Hong Kong) Limited       | 3                        | "                      | 978,655    | Note 5            | 0.13                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited | WPI International (Hong Kong) Limited     | 3                        | "                      | 465,563    | Note 5            | 0.06                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited | WPG China (SZ) Inc.                       | 3                        | "                      | 200,706    | Note 8            | 0.03                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited | Yosun Industrial Corp.                    | 3                        | "                      | 473,513    | Note 5            | 0.06                                                                                  |

Table 7, Page 3

| Number<br>(Note 1) | Company name                                    | Counterparty                                    | Relationship<br>(Note 2) | Transaction            |              |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|-------------------------------------------------|--------------------------|------------------------|--------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                 |                          | General ledger account | Amount       | Transaction terms |                                                                                       |
| 20                 | Richpower Electronic Devices Co., Limited       | Yosun Hong Kong Corp. Ltd.                      | 3                        | Sales                  | \$ 3,856,568 | Note 5            | 0.50                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited       | Richpower Electronic Devices Co., Ltd.          | 3                        | "                      | 618,414      | Note 5            | 0.08                                                                                  |
| 27                 | LaaS (Dongguan) Supply Chain Management Limited | World Peace Industrial Co., Ltd.                | 3                        | "                      | 108,286      | Note 5            | 0.01                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | World Peace Industrial Co., Ltd.                | 3                        | "                      | 1,152,276    | Note 4            | 0.15                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPI International (Hong Kong) Limited           | 3                        | "                      | 858,958      | Note 4            | 0.11                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | Yosun Industrial Corp.                          | 3                        | "                      | 103,638      | Note 4            | 0.01                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | Yosun Hong Kong Corp. Ltd.                      | 3                        | "                      | 184,763      | Note 4            | 0.02                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | Richpower Electronic Devices Co., Limited       | 3                        | "                      | 209,379      | Note 4            | 0.03                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPG C&C Shanghai Co., Ltd.                      | 3                        | "                      | 2,184,899    | Note 4            | 0.28                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 733,180      | Note 4            | 0.09                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | World Peace Industrial Co., Ltd.                | 3                        | "                      | 2,117,296    | Note 5            | 0.27                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | WPI International (Hong Kong) Limited           | 3                        | "                      | 7,286,171    | Note 5            | 0.94                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | WPG China (SZ) Inc.                             | 3                        | "                      | 364,349      | Note 5            | 0.05                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | Richpower Electronic Devices Co., Limited       | 3                        | "                      | 135,056      | Note 5            | 0.02                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | Peng Yu International Limited                   | 3                        | "                      | 135,069      | Note 5            | 0.02                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | Peng Yu Trigold Limited                         | 3                        | "                      | 5,525,849    | Note 5            | 0.71                                                                                  |
| 14                 | WPG South Asia Pte. Ltd.                        | World Peace International (South Asia) Pte Ltd. | 3                        | "                      | 574,836      | Note 5            | 0.07                                                                                  |
| 14                 | WPG South Asia Pte. Ltd.                        | Yosun Singapore Pte Ltd.                        | 3                        | "                      | 130,853      | Note 5            | 0.02                                                                                  |
| 17                 | Yosun Singapore Pte Ltd.                        | Yousn Hong Kong Corp. Ltd.                      | 3                        | "                      | 133,141      | Note 5            | 0.02                                                                                  |
| 17                 | Yosun Singapore Pte Ltd.                        | WPG SCM Limited                                 | 3                        | "                      | 554,918      | Note 5            | 0.07                                                                                  |
| 0                  | WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                | 1                        | Accounts receivable    | 115,482      | Note 11           | 0.04                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPI International (Hong Kong) Limited           | 3                        | "                      | 647,516      | Note 5            | 0.20                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 696,118      | Note 5            | 0.22                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | World Peace Industrial Co., Ltd.                | 3                        | "                      | 151,820      | Note 5            | 0.05                                                                                  |

Table 7, Page 4

| Number<br>(Note 1) | Company name                                    | Counterparty                                             | Relationship<br>(Note 2) | Transaction            |            |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|----------------------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                          |                          | General ledger account | Amount     | Transaction terms |                                                                                       |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited | 3                        | Accounts receivable    | \$ 307,346 | Note 5            | 0.10                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPI International (South Asia) Pte. Ltd.                 | 3                        | "                      | 124,577    | Note 5            | 0.04                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG SCM Limited                                          | 3                        | "                      | 824,259    | Note 5            | 0.26                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                         | 3                        | "                      | 581,166    | Note 5            | 0.18                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China (SZ) Inc.                                      | 3                        | "                      | 506,780    | Note 5            | 0.16                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China Inc.                                           | 3                        | "                      | 378,780    | Note 5            | 0.12                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 570,436    | Note 5            | 0.18                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG SCM Limited                                          | 3                        | "                      | 122,003    | Note 5            | 0.04                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG China (SZ) Inc.                                      | 3                        | "                      | 297,980    | Notes 9 and 12    | 0.09                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 1,301,875  | Notes 9 and 12    | 0.41                                                                                  |
| 5                  | Pernas Electronics Co., Ltd.                    | Silicon Application corp.                                | 3                        | "                      | 140,202    | Notes 9 and 11    | 0.04                                                                                  |
| 6                  | Everwiner Enterprise Co., Ltd.                  | Pernas Electronics Co., Ltd.                             | 3                        | "                      | 255,979    | Note 4            | 0.08                                                                                  |
| 7                  | Asian Information Technology Inc.               | Frontek Technology Corporation                           | 3                        | "                      | 2,068,509  | Note 4            | 0.65                                                                                  |
| 7                  | Asian Information Technology Inc.               | Apache Communication Inc.                                | 3                        | "                      | 219,454    | Note 4            | 0.07                                                                                  |
| 7                  | Asian Information Technology Inc.               | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 180,202    | Note 4            | 0.06                                                                                  |
| 8                  | Frontek Technology Corporation                  | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 179,518    | Note 4            | 0.06                                                                                  |
| 9                  | Apache Communication Inc.                       | Asian Information Technology Inc.                        | 3                        | "                      | 206,604    | Note 4            | 0.07                                                                                  |
| 12                 | WPG China Inc.                                  | WPG China (SZ) Inc.                                      | 3                        | "                      | 169,942    | Note 5            | 0.05                                                                                  |
| 15                 | Yosun Industrial Corp.                          | WPG China (SZ) Inc.                                      | 3                        | "                      | 108,236    | Note 8            | 0.03                                                                                  |
| 15                 | Yosun Industrial Corp.                          | WPG China Inc.                                           | 3                        | "                      | 140,650    | Note 8            | 0.04                                                                                  |
| 15                 | Yosun Industrial Corp.                          | Yosun Hong Kong Corp. Ltd.                               | 3                        | "                      | 306,467    | Note 5            | 0.10                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                      | WPG China Inc.                                           | 3                        | "                      | 122,200    | Note 8            | 0.04                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                      | Yosun Shanghai Corp. Ltd.                                | 3                        | "                      | 144,646    | Note 5            | 0.05                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.          | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 285,745    | Note 5            | 0.09                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited       | Yosun Industrial Corp.                                   | 3                        | "                      | 136,746    | Note 5            | 0.04                                                                                  |

Table 7, Page 5

| Number<br>(Note 1) | Company name                                    | Counterparty                                    | Relationship<br>(Note 2) | Transaction            |            |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|-------------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                 |                          | General ledger account | Amount     | Transaction terms |                                                                                       |
| 20                 | Richpower Electronic Devices Co., Limited       | Yosun Hong Kong Corp. Ltd.                      | 3                        | Accounts receivable    | \$ 255,773 | Note 5            | 0.08                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPI International (Hong Kong) Limited           | 3                        | "                      | 134,381    | Note 4            | 0.04                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 224,636    | Note 4            | 0.07                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | World Peace Industrial Co., Ltd.                | 3                        | "                      | 1,408,357  | Note 10           | 0.45                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | WPI International (Hong Kong) Limited           | 3                        | "                      | 2,558,029  | Note 10           | 0.81                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | Peng Yu Trigold Limited                         | 3                        | "                      | 382,411    | Note 10           | 0.12                                                                                  |
| 0                  | WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                | 1                        | Other receivables      | 326,421    | Note 13           | 0.10                                                                                  |
| 0                  | WPG Holdings Limited                            | Yosun Industrial Corp.                          | 1                        | "                      | 120,559    | Note 13           | 0.04                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 948,405    | Note 7            | 0.30                                                                                  |
| 22                 | WPI International (South Asia) Pte. Ltd.        | World Peace International (South Asia) Pte Ltd. | 3                        | "                      | 108,194    | Note 7            | 0.03                                                                                  |
| 22                 | WPI International (South Asia) Pte. Ltd.        | WPG SCM Limited                                 | 3                        | "                      | 158,525    | Note 6            | 0.05                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG South Asia Pte. Ltd.                        | 3                        | "                      | 241,110    | Note 6            | 0.08                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                | 3                        | "                      | 1,237,921  | Note 7            | 0.39                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China Inc.                                  | 3                        | "                      | 693,010    | Note 7            | 0.22                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace International (South Asia) Pte Ltd. | 3                        | "                      | 644,605    | Note 14           | 0.20                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 5,004,427  | Note 7            | 1.58                                                                                  |
| 23                 | WPG C&C Limited                                 | WPI International (Hong Kong) Limited           | 3                        | "                      | 247,688    | Note 7            | 0.08                                                                                  |
| 24                 | Long-Think International (Hong Kong) Limited    | WPI International (Hong Kong) Limited           | 3                        | "                      | 465,818    | Note 7            | 0.15                                                                                  |
| 25                 | AECO Electronics Co., Ltd.                      | WPI International (Hong Kong) Limited           | 3                        | "                      | 748,226    | Note 7            | 0.24                                                                                  |
| 26                 | Silicon Application Company Limited             | Silicon Application corp.                       | 3                        | "                      | 713,894    | Note 7            | 0.23                                                                                  |
| 26                 | Silicon Application Company Limited             | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 1,044,518  | Note 7            | 0.33                                                                                  |
| 5                  | Pernas Electronic Co., Ltd.                     | Everwiner Enterprise Co., Ltd.                  | 3                        | "                      | 203,763    | Note 7            | 0.06                                                                                  |
| 9                  | Apache Communication Inc.                       | Henshen Electric Trading Co., Ltd.              | 3                        | "                      | 408,305    | Note 7            | 0.13                                                                                  |
| 9                  | Apache Communication Inc.                       | Frontek Technology Corporation                  | 3                        | "                      | 465,226    | Note 7            | 0.15                                                                                  |

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|                    |                                       |                                                 |                          | Transaction            |            |                   |                                                                                       |
|--------------------|---------------------------------------|-------------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
| Number<br>(Note 1) | Company name                          | Counterparty                                    | Relationship<br>(Note 2) | General ledger account | Amount     | Transaction terms | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
| 11                 | WPG China (SZ) Inc.                   | LaaS (Dongguan) Supply Chain Management Limited | 3                        | Other receivables      | \$ 135,808 | Note 7            | 0.04                                                                                  |
| 15                 | Yosun Industrial Corp.                | Yosun Shanghai Corp. Ltd.                       | 3                        | "                      | 266,599    | Note 7            | 0.08                                                                                  |
| 31                 | Suntop Investments Limited            | WPG South Asia Pte. Ltd.                        | 3                        | "                      | 416,863    | Note 15           | 0.13                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.            | Yosun Industrial Corp.                          | 3                        | "                      | 266,728    | Note 7            | 0.08                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.            | Yosun Singapore Pte Ltd.                        | 3                        | "                      | 256,580    | Note 7            | 0.08                                                                                  |
| 29                 | Yosun South China Corp. Ltd.          | Yosun Shanghai Corp. Ltd.                       | 3                        | "                      | 199,697    | Note 7            | 0.06                                                                                  |
| 18                 | Sertek Incorporated                   | Richpower Electronic Devices Co., Ltd.          | 3                        | "                      | 559,925    | Note 7            | 0.18                                                                                  |
| 30                 | Richpower Electronic Devices Pte Ltd. | Yosun Singapore Pte Ltd.                        | 3                        | "                      | 236,653    | Note 7            | 0.07                                                                                  |
| 34                 | Trigold Holdings Limited              | Peng Yu Trigold Limited                         | 3                        | "                      | 159,661    | Note 7            | 0.05                                                                                  |
| 32                 | Peng Yu International Limited         | Peng Yu Trigold Limited                         | 3                        | "                      | 232,407    | Note 7            | 0.07                                                                                  |
| 33                 | WPG C&C Shanghai Co., Ltd.            | LaaS (Dongguan) Supply Chain Management Limited | 3                        | "                      | 301,399    | Note 7            | 0.10                                                                                  |
| 14                 | WPG South Asia Pte. Ltd.              | WPG Korea Co., Ltd.                             | 3                        | "                      | 432,603    | Note 7            | 0.14                                                                                  |
| 27                 | WPG SCM Limited                       | WPG Korea Co., Ltd.                             | 3                        | "                      | 215,959    | Note 7            | 0.07                                                                                  |
| 27                 | WPG SCM Limited                       | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 308,615    | Note 7            | 0.10                                                                                  |
| 35                 | WPG International (Hong Kong) Limited | WPG International (CI) Limited                  | 3                        | "                      | 796,908    | Note 15           | 0.25                                                                                  |
| 36                 | WPG International (CI) Limited        | WPG Holdings Limited                            | 3                        | "                      | 1,916,134  | Note 15           | 0.61                                                                                  |

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

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

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

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

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

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 6: The amount receivable pertains to receipts under custody.

Note 7: Mainly accrued financing charges.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

Note 9: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.



Note 10: The collection period is 60 days from the end of the month of sales.  
Note 11: The collection period is 30 days from the end of the month of sales.  
Note 12: The collection period is 90 days from the end of the month of sales.  
Note 13: The amount receivable arose from filing of consolidated tax return.  
Note 14: The receivable was due from a payment to supplier on behalf of associates.  
Note 15: The receivable arose from disposals of equity investments.

WPG Holdings Limited and Subsidiaries  
Information on investees (excluding information on investments in Mainland china)  
Year ended December 31, 2022

Table 8

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investor                         | Investee                                | Location       | Main business activities                                     | Initial investment amount       |                                 | Shares held as at December 31, 2022 |               |               | Net profit (loss) of the investee for the year ended December 31, 2022 | Investment income (loss) recognized by the Company for the year ended December 31, 2022 (Note 1) | Footnote      |
|----------------------------------|-----------------------------------------|----------------|--------------------------------------------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------|---------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------|
|                                  |                                         |                |                                                              | Balance as at December 31, 2022 | Balance as at December 31, 2021 | Number of shares                    | Ownership (%) | Book value    |                                                                        |                                                                                                  |               |
| WPG Holdings Limited             | World Peace Industrial Co., Ltd.        | Taiwan         | Agent and sales of electronic/ eletrical components          | \$ 18,471,669                   | \$ 18,471,669                   | 1,812,000,000                       | 100.00        | \$ 31,911,579 | \$ 4,145,513                                                           | \$ 4,145,513                                                                                     | Note 4        |
| WPG Holdings Limited             | Asian Information Technology Inc.       | Taiwan         | Sales of electronic/ electrical components                   | 4,863,464                       | 4,863,464                       | 612,089,200                         | 100.00        | 7,841,571     | 1,385,097                                                              | 1,385,097                                                                                        | Note 4        |
| WPG Holdings Limited             | Silicon Application Corp.               | Taiwan         | Sales of computer software, hardware and electronic products | 5,717,962                       | 5,717,962                       | 650,300,000                         | 100.00        | 9,595,680     | 1,106,664                                                              | 1,106,664                                                                                        | Note 4        |
| WPG Holdings Limited             | WPG Electronics Limited                 | Taiwan         | Warehousing services                                         | 14,735                          | 14,735                          | 3,920,000                           | 100.00        | 35,141        | (10,137)                                                               | (9,126)                                                                                          | Note 4        |
| WPG Holdings Limited             | WPG Korea Co., Ltd.                     | South Korea    | Agent and sales of electronic/ eletrical components          | 394,436                         | 308,771                         | 2,959,494                           | 100.00        | 757,261       | 35,396                                                                 | 35,396                                                                                           | Note 4        |
| WPG Holdings Limited             | WPG International (CI) Limited          | Cayman Islands | Holding company                                              | 5,120,481                       | 5,120,481                       | 150,282,520                         | 100.00        | 8,343,376     | 689,452                                                                | 689,452                                                                                          | Note 4        |
| WPG Holdings Limited             | Yosun Industrial Corp.                  | Taiwan         | Sales of electronic/ electrical components                   | 12,144,406                      | 12,144,406                      | 402,310,300                         | 100.00        | 13,939,256    | 1,455,001                                                              | 1,451,485                                                                                        | Note 4        |
| WPG Holdings Limited             | WPG Investment Co., Ltd.                | Taiwan         | Investment company                                           | 2,102,997                       | 2,102,997                       | 210,000,000                         | 100.00        | 1,984,564     | (42,640)                                                               | (66,487)                                                                                         | Note 4        |
| WPG Holdings Limited             | Trigold Holdings Limited                | Taiwan         | Investment company                                           | 940,141                         | 940,141                         | 59,195,189                          | 58.86         | 1,271,553     | 186,528                                                                | 109,510                                                                                          | Note 4        |
| WPG Holdings Limited             | WPG EMEA B.V.                           | Netherlands    | Sales of electronic/ electrical components                   | 140,500                         | 140,500                         | 5,000,000                           | 100.00        | 82,290        | (46,120)                                                               | (46,120)                                                                                         | Note 4        |
| WPG Holdings Limited             | WPG Electronics (Hong Kong) Limited     | Hong Kong      | Agent and sales of electronic/ eletrical components          | 799,765                         | -                               | 234,081,858                         | 100.00        | 816,629       | 195,088                                                                | (5,947)                                                                                          | Note 4        |
| WPG Holdings Limited             | WPG South Asia Pte. Ltd.                | Singapore      | Sales of electronic/ electrical components                   | 1,116,369                       | -                               | 34,119,105                          | 100.00        | 1,156,440     | 33,000                                                                 | 18,002                                                                                           | Note 4        |
| WPG Holdings Limited             | WT Microelectronics Co., Ltd.           | Taiwan         | Trading company                                              | 8,111,638                       | 8,111,638                       | 177,110,000                         | 20.05         | 11,952,982    | 7,631,123                                                              | 1,583,902                                                                                        | Note 6        |
| World Peace Industrial Co., Ltd. | WPI International (South Asia) Pte Ltd. | Singapore      | Agent and sales of electronic/ eletrical components          | 1,132,162                       | 1,132,162                       | 34,196,393                          | 100.00        | 4,547,263     | 189,964                                                                | -                                                                                                | Notes 2 and 5 |

| Investor                                 | Investee                                        | Location               | Main business activities                                     | Initial investment amount       |                                 | Shares held as at December 31, 2022 |               |               | Net profit (loss) of the investee for the year ended December 31, 2022 | Investment income (loss) recognized by the Company for the year ended December 31, 2022 (Note 1) | Footnote      |
|------------------------------------------|-------------------------------------------------|------------------------|--------------------------------------------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------|---------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------|
|                                          |                                                 |                        |                                                              | Balance as at December 31, 2022 | Balance as at December 31, 2021 | Number of shares                    | Ownership (%) | Book value    |                                                                        |                                                                                                  |               |
| World Peace Industrial Co., Ltd.         | WPI Technology Pte. Ltd.                        | Singapore              | Agent and sales of electronic/ eletrical components          | \$ 2,774,146                    | \$ 2,774,146                    | 83,179,435                          | 100.00        | \$ 27,746,923 | \$ 2,370,272                                                           | \$ -                                                                                             | Notes 2 and 5 |
| World Peace Industrial Co., Ltd.         | Longview Technology Inc.                        | Taiwan                 | Agent and sales of electronic/ eletrical components          | 364,290                         | 364,290                         | 33,900,000                          | 100.00        | 539,602       | (996)                                                                  | -                                                                                                | Notes 2 and 5 |
| World Peace Industrial Co., Ltd.         | Chainpower Technology Corp.                     | Taiwan                 | Agent and sales of electronic/ eletrical components          | 66,261                          | 66,261                          | 9,781,452                           | 39.00         | 199,293       | 94,451                                                                 | -                                                                                                | Notes 2 and 3 |
| World Peace Industrial Co., Ltd.         | AECO Technology Co., Ltd.                       | Taiwan                 | Agent and sales of electronic/ eletrical components          | 1,468,555                       | 1,468,555                       | 94,600,000                          | 100.00        | 1,530,078     | 8,091                                                                  | -                                                                                                | Notes 2 and 5 |
| WPI International (South Asia) Pte. Ltd. | Genuine C&C (IndoChina) Pte Ltd.                | Singapore              | Agent and sales of electronic/ eletrical components          | 119,912                         | 119,912                         | 5,359,370                           | 80.00         | 224,660       | 8,950                                                                  | -                                                                                                | Notes 2 and 5 |
| WPI International (South Asia) Pte. Ltd. | WPG Americas Inc.                               | U.S.A                  | Agent and sales of electronic/ eletrical components          | 36,629                          | 36,629                          | 6,100,000                           | 2.61          | 60,653        | 223,077                                                                | -                                                                                                | Notes 2 and 5 |
| WPI International (South Asia) Pte. Ltd. | World Peace International (South Asia) Pte Ltd. | Singapore              | Agent and sales of electronic/ eletrical components          | 696,473                         | 696,473                         | 34,314,692                          | 100.00        | 3,970,739     | 160,641                                                                | -                                                                                                | Notes 2 and 5 |
| WPI Technology Pte. Ltd.                 | WPI International (Hong Kong) Limited           | Hong Kong              | Agent and sales of electronic/ eletrical components          | 3,254,652                       | 3,254,652                       | 4,087,084,000                       | 100.00        | 27,663,431    | 2,332,150                                                              | -                                                                                                | Notes 2 and 5 |
| Longview Technology Inc.                 | Longview Technology GC Limited                  | British Virgin Islands | Holding company                                              | 335,328                         | 335,328                         | 11,300,000                          | 100.00        | 576,296       | 6,209                                                                  | -                                                                                                | Notes 2 and 5 |
| Longview Technology Inc.                 | Long-Think International Co., Ltd.              | Taiwan                 | Agent and sales of electronic/ eletrical components          | 37,302                          | 37,302                          | 4,000,000                           | 100.00        | 44,307        | (881)                                                                  | -                                                                                                | Notes 2 and 5 |
| AECO Technology Co., Ltd.                | Teco Enterprise Holding (BVI) Co., Ltd.         | British Virgin Islands | Investment company                                           | 436,280                         | 436,280                         | 12,610,000                          | 100.00        | 839,763       | 12,125                                                                 | -                                                                                                | Notes 2 and 5 |
| Silicon Application Corp.                | Silicon Application (BVI) Corporation           | British Virgin Islands | Holding company                                              | 706,402                         | 706,402                         | 22,000,000                          | 100.00        | 1,821,873     | 37,402                                                                 | -                                                                                                | Notes 2 and 5 |
| Silicon Application Corp.                | Win-Win Systems Ltd.                            | British Virgin Islands | Holding company                                              | 24,015                          | 24,015                          | 765,000                             | 100.00        | 26,794        | 268                                                                    | -                                                                                                | Notes 2 and 5 |
| Silicon Application Corp.                | SAC Components (South Asia) Pte. Ltd.           | Singapore              | Sales of computer software, hardware and electronic products | 104,510                         | 104,510                         | 3,500,000                           | 100.00        | 123,621       | 6,430                                                                  | -                                                                                                | Notes 2 and 5 |

Table 8, Page 2

|                                       |                                           |                        |                                                                           | Initial investment amount |                   | Shares held as at December 31, 2022 |               |              |                                                   |                                                                                |               |
|---------------------------------------|-------------------------------------------|------------------------|---------------------------------------------------------------------------|---------------------------|-------------------|-------------------------------------|---------------|--------------|---------------------------------------------------|--------------------------------------------------------------------------------|---------------|
| Investor                              | Investee                                  | Location               | Main business activities                                                  | Balance as at             | Balance as at     | Number of shares                    | Ownership (%) | Book value   | Net profit (loss) of                              | Investment income                                                              | Footnote      |
|                                       |                                           |                        |                                                                           | December 31, 2022         | December 31, 2021 |                                     |               |              | the investee for the year ended December 31, 2022 | (loss) recognized by the Company for the year ended December 31, 2022 (Note 1) |               |
| Silicon Application Corp.             | Pernas Electronics Co., Ltd.              | Taiwan                 | Agent and sales of electronic/ eletrical components                       | \$ 959,504                | \$ 959,504        | 90,000,000                          | 100.00        | \$ 1,441,201 | \$ 210,751                                        | \$ -                                                                           | Notes 2 and 5 |
| Pernas Electronics Co., Ltd.          | Everwiner Enterprise Co., Ltd.            | Taiwan                 | Agent and sales of electronic/ eletrical components                       | 343,959                   | 343,959           | 37,000,000                          | 100.00        | 995,903      | 172,929                                           | -                                                                              | Notes 2 and 5 |
| Asian Information Technology Inc.     | Frontek Technology Corporation            | Taiwan                 | Sales of electronic/ electrical components                                | 1,515,256                 | 1,515,256         | 250,000,000                         | 100.00        | 2,905,157    | 386,614                                           | -                                                                              | Notes 2 and 5 |
| Asian Information Technology Inc.     | Apache Communication Inc.                 | Taiwan                 | Sales of electronic/ electrical components                                | 980,313                   | 980,313           | 219,300,000                         | 100.00        | 2,556,130    | 470,662                                           | -                                                                              | Notes 2 and 5 |
| Asian Information Technology Inc.     | Henshen Electric Trading Co., Ltd.        | Taiwan                 | Sales of electronic/ electrical components                                | 223,121                   | 124,521           | 20,000,000                          | 100.00        | 239,965      | 25,415                                            | -                                                                              | Notes 2 and 5 |
| Asian Information Technology Inc.     | Adivic Technology Co., Ltd.               | Taiwan                 | Import and export business for electronic components                      | 206,200                   | 206,200           | 4,410,000                           | 25.94         | 17,640       | (37,077)                                          | -                                                                              | Notes 2 and 3 |
| Asian Information Technology Inc.     | Fame Hall International Co., Ltd.         | British Virgin Islands | Investment company                                                        | 155,558                   | 155,558           | 4,703,107                           | 100.00        | 268,776      | 18,871                                            | -                                                                              | Notes 2 and 5 |
| Frontek Technology Corporation        | Frontek International Limited             | British Virgin Islands | Investment company                                                        | 101,862                   | 101,862           | 2,970,000                           | 100.00        | 135,165      | 1,387                                             | -                                                                              | Notes 2 and 5 |
| Yosun Industrial Corp.                | Suntop Investments Limited                | Cayman Islands         | Investment company                                                        | 1,812,188                 | 1,812,188         | 50,700,000                          | 100.00        | 5,931,719    | 199,446                                           | -                                                                              | Notes 2 and 5 |
| Yosun Industrial Corp.                | Sertek Incorporated                       | Taiwan                 | Sales of electronic/ eletrical components                                 | 1,616,722                 | 1,616,722         | 94,828,100                          | 100.00        | 1,967,059    | 334,126                                           | -                                                                              | Notes 2 and 5 |
| Yosun Industrial Corp.                | Pan-World Control Technologies, Inc.      | Taiwan                 | Wholesale of machinery                                                    | -                         | 19,920            | -                                   | -             | -            | -                                                 | -                                                                              | Notes 2 and 3 |
| Yosun Industrial Corp.                | Eesource Corp.                            | Taiwan                 | Sales of electronic/electrical components, office machinery and equipment | 11,520                    | 11,520            | 1,080,000                           | 20.00         | 34,385       | 11,148                                            | -                                                                              | Notes 2 and 3 |
| Yosun Industrial Corp.                | Richpower Electronic Devices Co., Ltd     | Taiwan                 | Sales of electronic/ electrical components                                | 2,092,631                 | 2,092,631         | 120,900,000                         | 100.00        | 2,796,878    | 319,849                                           | -                                                                              | Notes 2 and 5 |
| Sertek Incorporated                   | Sertek Limited                            | Hong Kong              | Sales of electronic/ eletrical components                                 | 83,494                    | 83,494            | 19,500,000                          | 100.00        | 82,689       | 164                                               | -                                                                              | Notes 2 and 5 |
| Richpower Electronic Devices Co., Ltd | Richpower Electronic Devices Co., Limited | Hong Kong              | Sales of electronic components                                            | 284,898                   | 284,898           | 63,000,000                          | 100.00        | 2,807,625    | 110,122                                           | -                                                                              | Notes 2 and 5 |
| Richpower Electronic Devices Co., Ltd | Richpower Electronic Devices Pte Ltd.     | Singapore              | Sales of electronic components                                            | 1,988                     | 1,988             | 10,000                              | 100.00        | 239,884      | 5,248                                             | -                                                                              | Notes 2 and 5 |

Table 8, Page 3

|                          |                                              |                |                                                                           | Initial investment amount |                   | Shares held as at December 31, 2022 |               |            |                                                   |                                                                                |               |
|--------------------------|----------------------------------------------|----------------|---------------------------------------------------------------------------|---------------------------|-------------------|-------------------------------------|---------------|------------|---------------------------------------------------|--------------------------------------------------------------------------------|---------------|
| Investor                 | Investee                                     | Location       | Main business activities                                                  | Balance as at             | Balance as at     | Number of shares                    | Ownership (%) | Book value | Net profit (loss) of                              | Investment income                                                              | Footnote      |
|                          |                                              |                |                                                                           | December 31, 2022         | December 31, 2021 |                                     |               |            | the investee for the year ended December 31, 2022 | (loss) recognized by the Company for the year ended December 31, 2022 (Note 1) |               |
| WPG Investment Co., Ltd. | Eesource Corp.                               | Taiwan         | Sales of electronic/electrical components, office machinery and equipment | \$ 11,520                 | \$ 11,520         | 1,080,000                           | 20.00         | \$ 34,385  | \$ 11,148                                         | \$ -                                                                           | Notes 2 and 3 |
| WPG Investment Co., Ltd. | Pan-World Control Technologies, Inc.         | Taiwan         | Wholesale of machinery                                                    | -                         | 17,800            | -                                   | 0.00          | -          | -                                                 | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | Sunrise Technology Co., Ltd.                 | Taiwan         | Manufacturing of computer and its peripheral equipment                    | 50,000                    | 50,000            | 3,279,800                           | 10.67         | 43,350     | 16,756                                            | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | Trigold Holdings Limited                     | Taiwan         | Investment company                                                        | 49,224                    | 49,224            | 1,749,979                           | 1.74          | 36,207     | 186,528                                           | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | AutoSys Co., Ltd.                            | Cayman Islands | Holding company                                                           | 73,000                    | 73,000            | 5,000,000                           | 16.25         | 64,902     | (20,557)                                          | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | Beauteek Global Wellness Corporation Limited | Hong Kong      | Community e-commerce trading plat form and related services               | 25,273                    | 13,663            | 630,044                             | 19.34         | 18,031     | 7,323                                             | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | LaaS Holdings (Samoa) Limited                | Samoa          | Holding company                                                           | 1,142,712                 | 1,142,712         | 40,060,000                          | 100.00        | 790,544    | (88,798)                                          | -                                                                              | Notes 2 and 5 |
| Trigold Holdings Limited | Genuine C&C Inc.                             | Taiwan         | Sales of electronic products and its peripheral equipment                 | 1,093,697                 | 1,093,697         | 79,569,450                          | 100.00        | 1,150,190  | 72,050                                            | -                                                                              | Notes 2 and 5 |
| Trigold Holdings Limited | Trigold (Hong Kong) Company Limited          | Hong Kong      | Holding company                                                           | 600,796                   | 600,796           | 155,200,000                         | 100.00        | 1,127,998  | 63,909                                            | -                                                                              | Notes 2 and 5 |
| Trigold Holdings Limited | Peng Yu Trigold Limited                      | Hong Kong      | Sales of electronic products                                              | 71,212                    | -                 | 2,000,000                           | 100.00        | 151,005    | 74,003                                            | -                                                                              | Notes 2 and 5 |
| Genuine C&C Inc.         | Hoban Inc.                                   | Taiwan         | An E-commerce company which operates B2C and O2O businesses               | 129,999                   | 79,999            | 13,000,000                          | 100.00        | 15,853     | (23,770)                                          | -                                                                              | Notes 2 and 5 |
| Genuine C&C Inc.         | Genuine C&C Holding Inc. (Seychelles)        | Seychelles     | Holding company                                                           | 193,870                   | 193,870           | 6,500,000                           | 100.00        | 144,743    | 2,732                                             | -                                                                              | Notes 2 and 5 |
| Genuine C&C Inc.         | Sunrise Technology Co., Ltd.                 | Taiwan         | Manufacturing of computer and its peripheral equipment                    | 12,636                    | 12,636            | 1,682,151                           | 5.47          | 2,659      | 16,756                                            | -                                                                              | Notes 2 and 3 |
| WPG EMEA B.V.            | WPG EMEA UK LIMITED                          | UK             | Sales of electronic/electrical components                                 | -                         | -                 | -                                   | -             | -          | -                                                 | -                                                                              | Notes 2 and 5 |

Note 1: Investment income (loss) recognized by the company including realized (unrealized) gain or loss from upstream intercompany transactions and amortization of investment discount (premium).

Note 2: Investment income (loss) recognized by each subsidiary.

Note 3: An investee company accounted for using the equity method by subsidiary.

Note 4: A subsidiary.

Note 5: An indirect subsidiary.

Note 6: An investee company accounted for using the equity method by the Company.

WPG Holdings Limited and Subsidiaries  
Information on investments in Mainland China  
Year ended December 31, 2022

Table 9

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investee in<br>Mainland China                                 | Main business<br>activities                                               | Paid-in<br>capital | Investment<br>method<br>(Note 1) | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China as<br>of January 1, 2022 | Amount remitted from Taiwan to<br>Mainland China / Amount remitted<br>back to Taiwan for the year ended<br>December 31, 2022 |                            | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China as<br>of December 31,<br>2022 | Net income of<br>investee for the<br>year ended<br>December 31,<br>2022 | Ownership held<br>by the Company<br>(direct or<br>indirect) | Investment income<br>(loss) recognized by<br>the Company for the<br>year ended<br>December 31, 2022<br>(Note 2) | Book value of<br>investments in<br>Mainland China as<br>of December 31,<br>2022 (Note 5) | Accumulated<br>amount of<br>investment income<br>remitted back to<br>Taiwan as of<br>December 31, 2022 | Footnote |
|---------------------------------------------------------------|---------------------------------------------------------------------------|--------------------|----------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|----------|
|                                                               |                                                                           |                    |                                  |                                                                                                     | Remitted to<br>Mainland China                                                                                                | Remitted back<br>to Taiwan |                                                                                                          |                                                                         |                                                             |                                                                                                                 |                                                                                          |                                                                                                        |          |
| WPG China (SZ) Inc.                                           | Sales of semiconductor<br>integrated circuit and<br>electronic components | \$ 148,039         | 1                                | \$ 106,759                                                                                          | \$ -                                                                                                                         | \$ -                       | \$ 106,759                                                                                               | \$ 77,676                                                               | 100.00                                                      | \$ 77,676                                                                                                       | \$ 1,270,345                                                                             | \$ -                                                                                                   | Note 3   |
| WPG China Inc.                                                | Agent for selling<br>electronic/electrical<br>components                  | 1,668,194          | 1                                | 1,791,558                                                                                           | -                                                                                                                            | -                          | 1,791,558                                                                                                | 127,716                                                                 | 100.00                                                      | 127,716                                                                                                         | 3,606,038                                                                                | -                                                                                                      |          |
| Gain Tune Logistics<br>(Shanghai) Co., Ltd.                   | Warehousing services /<br>extra work                                      | 38,904             | 1                                | 15,219                                                                                              | -                                                                                                                            | -                          | 15,219                                                                                                   | 21,253                                                                  | 40.00                                                       | 8,501                                                                                                           | 36,500                                                                                   | -                                                                                                      |          |
| Suzhou Xinning Logistics<br>Co., Ltd.                         | Warehousing services                                                      | 64,983             | 1                                | 18,879                                                                                              | -                                                                                                                            | -                          | 18,879                                                                                                   | 5,262                                                                   | 29.40                                                       | 1,547                                                                                                           | 48,473                                                                                   | -                                                                                                      |          |
| Suzhou Xinning Bonded<br>Warehouse Co., Ltd.                  | Warehousing services                                                      | 30,710             | 1                                | 28,815                                                                                              | -                                                                                                                            | -                          | 28,815                                                                                                   | ( 1,267)                                                                | 49.00                                                       | ( 621)                                                                                                          | 69,957                                                                                   | -                                                                                                      |          |
| Yosun Shanghai Corp.<br>Ltd.                                  | Sales of electronic<br>components and<br>warehousing services             | 276,893            | 1                                | 236,467                                                                                             | -                                                                                                                            | -                          | 236,467                                                                                                  | 838                                                                     | 100.00                                                      | 838                                                                                                             | 380,366                                                                                  | -                                                                                                      |          |
| Yosun South China Corp.<br>Ltd.                               | Sales of electronic<br>/electrical components                             | 141,359            | 1                                | -                                                                                                   | -                                                                                                                            | -                          | -                                                                                                        | 3,927                                                                   | 100.00                                                      | 3,927                                                                                                           | 220,826                                                                                  | -                                                                                                      |          |
| Qegoo Technology Co.,<br>Ltd.                                 | Business e-commerce<br>platform                                           | 56,814             | 1                                | 4,924                                                                                               | -                                                                                                                            | -                          | 4,924                                                                                                    | -                                                                       | 15.00                                                       | -                                                                                                               | -                                                                                        | -                                                                                                      |          |
| Beauteek (Shanghai)<br>Global Wellness<br>Corporation Limited | Community<br>e-commerce trading<br>platform and related<br>services       | 82,917             | 1                                | 8,031                                                                                               | 5,939                                                                                                                        | -                          | 13,970                                                                                                   | -                                                                       | 15.38                                                       | -                                                                                                               | -                                                                                        | -                                                                                                      |          |
| LaaS (Dongguan) Supply<br>Chain Management<br>Limited         | Supply chain<br>management, design<br>and related businesses.             | 1,228,400          | 1                                | 1,228,400                                                                                           | -                                                                                                                            | -                          | 1,228,400                                                                                                | ( 88,322)                                                               | 100.00                                                      | ( 88,322)                                                                                                       | 789,354                                                                                  | -                                                                                                      | Note 8   |

| Investee in<br>Mainland China                               | Main business<br>activities                   | Paid-in<br>capital | Investment<br>method<br>(Note 1) | Mainland China as<br>of January 1, 2022 | Amount remitted from Taiwan to<br>Mainland China / Amount remitted<br>back to Taiwan for the year ended<br>December 31, 2022 |                            | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China as<br>of December 31,<br>2022 | Net income of<br>investee for the<br>year ended<br>December 31,<br>2022 | Ownership held<br>by the Company<br>(direct or<br>indirect) | Investment income<br>(loss) recognized by<br>the Company for the<br>year ended<br>December 31, 2022<br>(Note 2) | Book value of<br>investments in<br>Mainland China as<br>of December 31,<br>2022 (Note 5) | Accumulated<br>amount of<br>investment income<br>remitted back to<br>Taiwan as of<br>December 31, 2022 | Footnote |
|-------------------------------------------------------------|-----------------------------------------------|--------------------|----------------------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|----------|
|                                                             |                                               |                    |                                  |                                         | Remitted to<br>Mainland China                                                                                                | Remitted back<br>to Taiwan |                                                                                                          |                                                                         |                                                             |                                                                                                                 |                                                                                          |                                                                                                        |          |
| Peng Yu (Shanghai)<br>Digital Technology Co.,<br>Ltd        | Sales of<br>electronic/electrical<br>products | \$ 99,180          | 1                                | \$ 200,031                              | \$ -                                                                                                                         | \$ -                       | \$ 200,031                                                                                               | \$ 14,700                                                               | 100.00                                                      | \$ 8,908                                                                                                        | \$ 260,482                                                                               | \$ -                                                                                                   |          |
| WPG C&C Shanghai<br>Co., Ltd.                               | Sales of<br>electronic/electrical<br>products | 234,227            | 1                                | 263,097                                 | -                                                                                                                            | -                          | 263,097                                                                                                  | 72,582                                                                  | 100.00                                                      | 43,985                                                                                                          | 375,449                                                                                  | -                                                                                                      | Note 6   |
| Trigolduo (Shanghai)<br>Industrial Development<br>Ltd.      | Children's indoor<br>amusement park           | 88,160             | 1                                | 61,712                                  | -                                                                                                                            | -                          | 61,712                                                                                                   | ( 31,317)                                                               | 70.00                                                       | ( 13,285)                                                                                                       | ( 4,926)                                                                                 | -                                                                                                      |          |
| Trigold Tongle<br>(Shanghai) Industrial<br>Development Ltd. | Children's indoor<br>amusement park           | 6,612              | 1                                | -                                       | -                                                                                                                            | -                          | -                                                                                                        | ( 2,752)                                                                | 70.00                                                       | ( 1,167)                                                                                                        | ( 3,997)                                                                                 | -                                                                                                      | Note 7   |

Note 1: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

Note 2: The investment income/loss for the year ended December 31, 2022 that was recognised by the Company was based on the financial statements audited by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

Note 3: WPG International (Hong Kong) Limited invested in WPG (SZ) Inc. in the amount of HKD 10 million, which is part of the distribution of earnings from WPG China Inc. The investment had been permitted by Investment Commission, and was excluded from the ceiling of investment amount in Mainland China.

Note 4: For paid-in capital, amount remitted from Taiwan to Mainland China/ amount remitted back to Taiwan for the year ended December 31, 2022, accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022, book value of investments in Mainland China as of December 31, 2022, accumulated amount of investment income remitted back to Taiwan as of December 31, 2022, etc., the exchange rates used were USD 1: NTD 30.71 HKD 1:NTD 3.938 and RMB 1: NTD 4.408.

Note 5: The ending balance of investment was calculated based on combined ownership percentage held by the Company.

Note 6: The retirement of World Peace Industrial Co., Ltd.'s indirect investment in Mainland China, WPG C&C Shanghai Co., Ltd., has been approved by Investment Commission, Ministry of Economic Affairs on May 22, 2019 amounting to USD 11,650 thousand. World Peace Industrial Co., Ltd. will submit an application to Investment Commission, Ministry of Economic Affairs for deducting the accumulated amount of remittance from Taiwan to Mainland China when the consideration arising from transfer of equity interests is remitted back from the investment in the third area, WPI International (HK) Limited.

Note 7: Trigold Tongle (Shanghai) Industrial Development Ltd. is a wholly-owned subsidiary of Trigolduo (Shanghai) Industrial Development Ltd.

Note 8: WPG Investment Co., Ltd. acquired a 100% equity interest in Mainland China investee, LaaS (Dongguan) Supply Chain Management Limited, through a reinvestment, LaaS Holdings (HK) Limited, of WPG Investment Co., Ltd.'s investment in the third area, Samoa, on August 2, 2020. WPG Investment Co., Ltd. had received a post-approval from the MOEA.



| Company name                                          | Accumulated amount of remittance from<br>Taiwan to Mainland China as of<br>December 31, 2022 | Investment amount approved by the Investment<br>Commission of the Ministry of Economic Affairs<br>(MOEA) | Ceiling on investments in Mainland China<br>imposed by the Investment Commission of MOEA |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| WPG Holdings Limited                                  | \$ 1,961,230                                                                                 | \$ 2,073,585                                                                                             | \$ 49,147,982                                                                            |
| World Peace Industrial Co., Ltd. and its subsidiaries | 382,106                                                                                      | 463,987                                                                                                  | 19,181,359                                                                               |
| Silicon Application Corp. and its subsidiaries        | 13,220                                                                                       | 19,206                                                                                                   | 5,757,408                                                                                |
| Yosun Industrial Corp. and its subsidiaries           | 257,503                                                                                      | 545,536                                                                                                  | 6,115,231                                                                                |
| WPG Investment Co., Ltd.                              | 1,247,294                                                                                    | 1,257,369                                                                                                | 1,190,738                                                                                |
| Trigold Holdings Limited                              | 620,621                                                                                      | 620,621                                                                                                  | 1,256,367                                                                                |

(1) Exchange rates as of December 31, 2022 were USD 1: NTD30.71, HKD 1 : NTD 3.938 and RMB 1 : NTD 4.408.

(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.

WPG Holdings Limited and Subsidiaries  
Major shareholders information  
December 31, 2022

Table 10

| Name of major shareholders                                                                                                                                                     | Shares                |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------|
|                                                                                                                                                                                | Number of shares held | Ownership (%) |
| Independent accounts securities investment trust fund of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (umbrella fund) entrusted to Taishin International Bank | 118,722,000           | 6.31%         |

Description: If the company applies with Taiwan Depository & Clearing Corporation for the information of the table, the following can be explained in the notes of the table.

- (a) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by the Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may be different from the actual number of shares in dematerialised form due to the difference in the calculation basis.
- (b) If the aforementioned data contains shares which were held in trust by the shareholders, the data is disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10%, in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets. For the information on reported share equity of insider, please refer to Market Observation Post System.

**WPG HOLDINGS LIMITED**  
**PARENT COMPANY ONLY FINANCIAL STATEMENTS AND**  
**AUDIT REPORT OF INDEPENDENT AUDITORS**  
**DECEMBER 31, 2022 AND 2021**

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

## INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of WPG Holdings Limited

### ***Opinion***

We have audited the accompanying parent company only balance sheets of WPG Holdings Limited (the “Company”) as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

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

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

### ***Key audit matters***

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2022 financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2022 parent company only financial statements are stated as follows:

### **Impairment assessment of investments accounted for under equity method**

#### Description

Refer to Note 4(12) for accounting policy on investments accounted for under equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to impairment assessment of investments accounted for under equity method, and Note 6(4) for details of investments accounted for under equity method.

In 2010, the Company acquired 100% shareholding of Yosun Industrial Corp. (referred herein as "Yosun Industrial") amounting to \$12,939,060 thousand, and was recognized as investments accounted for under equity method. The Company uses the estimated future cash flows of each cash-generating unit and proper discount rate to assess whether the investment may be impaired. Given that the assumptions used in the calculation of recoverable amount requires significant management judgment with respect to the discount rate and the underlying cash flows, we considered the impairment assessment of the investment a key audit matter.

#### How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Assessing the process in which management evaluates the estimated future cash flows of each cash generating unit, and reconciling the input data used in the valuation model to the approved operational plan by management.
2. Evaluating the reasonableness of the estimated growth rate, gross rate, discount rate and other significant assumptions used in the valuation model, by:
  - (1) Comparing estimated growth rate and gross rate with historical data and our knowledge of the business and industry;
  - (2) Comparing discount rate assumptions with respect to cash generating units' capital cost and similar return on assets; and
  - (3) Checking the setting of valuation model's calculation formula.
3. Comparing the recoverable value and book value of each cash-generating unit.

## **Valuation of investments accounted for under equity method**

### Description

Refer to Note 4(12) for accounting policy on investments accounted for under equity method, and Note 6(4) for details of investments accounted for under equity method.

As at December 31, 2022, the balance of the Company's investments in its subsidiaries, World Peace Industrial Co., Ltd. (referred herein as "World Peace Industrial"), Yosun Industrial, Silicon Application Corp. (referred herein as "Silicon Application") and Asian Information Technology Inc. (referred herein as "Asian Information Technology") amounted to \$31,911,580 thousand, \$13,939,256 thousand, \$9,595,680 thousand and \$7,841,571 thousand, respectively, and the investment income amounted to \$4,145,513 thousand, \$1,451,485 thousand, \$1,106,664 thousand and \$1,385,097 thousand for the year then ended, respectively. As the balance of investments accounted for under equity method constituted 62% of the Company's total assets, and investment income constituted 76% of the Company's profit before tax, we considered the assessment of investments accounted for under equity method, valuation of allowance for uncollectible accounts receivable, and recognition of purchase discounts and allowances of these subsidiaries as key audit matters as summarized below:

## **Valuation of allowance for uncollectible accounts receivable - World Peace Industrial, Yosun Industrial, Silicon Application and Asian Information Technology (collectively referred herein as the "Subsidiaries")**

### Description

Refer to Note 4(10) of consolidated financial statements for accounting policy on accounts receivable, Note 5(2) of consolidated financial statements for uncertainty of accounting estimates and assumptions in relation to provision for uncollectible accounts receivable, and Note 6(5) of consolidated financial statements for details of accounts receivable and overdue receivables.

The Subsidiaries assess the collectibility of accounts receivable based on historical experience with its customers. As the estimation of allowance for uncollectible accounts is subject to management's judgment in estimating future recovery, such as management's assessment of customer's credit risk, we considered the valuation of allowance for uncollectible accounts receivable a key audit matter.

### How our audit addressed the matter

Our audit procedures in relation to the above key audit matter included:

1. Obtaining an understanding of, and evaluating the formal approval process for the customer's credit limit application.
2. Checking the provision policy on allowance for uncollectible accounts, and assessing the reasonableness of provision policy.
3. Checking the adequacy of the loss rate calculation by sampling the historical accounts receivable aging data and verifying the formula for the calculation of expected credit loss rate.
4. Comparing the classification of accounts receivable aging with current year and prior year, and checking subsequent collections after the balance sheet date to confirm recovery of outstanding receivables.
5. For those accounts receivable specifically identified by management to have been impaired, evaluating propriety of impairment assessment against related supporting documents.

### **Recognition of purchase discounts and allowances - Subsidiaries**

#### **Description**

Refer to Note 4(13) of the consolidated financial statements for accounting policy on recognition of purchase discounts and allowances.

The Subsidiaries are engaged in operating sales channel for various electronic components. In line with industry practice, the Subsidiaries have entered into purchase discounts and allowances agreements with suppliers for various kinds and quantities of inventories. The Subsidiaries calculate and recognize the amount of purchase discounts and allowances in accordance with the agreement. The Subsidiaries negotiate the amount with the supplier, and after receiving credit note from supplier, the Subsidiaries pay the net amount.

The discounts and allowances from the supplier are calculated either automatically by the system or manually. The Subsidiaries have to gather a lot of information to input in the system, such as the items subject to discount and corresponding discount rate, etc. Given that the Subsidiaries have a large volume of purchases, and have entered into various purchase discounts and allowances agreements with terms and conditions that vary with each agreement, we considered the recognition of purchase discounts and allowances a key audit matter.

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

Our audit procedures in relation to the above key audit matter included:

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1. Understanding the process in recognizing purchase discounts and allowances, evaluating related internal control procedures and testing its effectiveness, checking the basic information set up in the computer system with respect to discount and allowance calculation randomly, and selecting samples to determine whether purchase discounts and allowances recognized were reviewed by an authorised supervisor.
2. Selecting samples of purchase discounts and allowances, obtaining confirmed documents and approved credit note from supplier for selected commodity's part number, and checking whether the part number and discount and allowance amount in obtained vouchers were consistent with the amounts recognized.
3. Performing confirmation of selected material accounts payable, checking whether there is a difference between the amount of purchase discounts and allowances recognized based on credit note from supplier with the amount confirmed by the supplier, and investigating differences, if any. Selecting samples of outstanding accounts payable and checking whether subsequent payments were made after the balance sheet date.

### ***Responsibilities of management and those charged with governance for financial statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that



includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely

responsible for our audit opinion.

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

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

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

Lin, Chun-Yao

Chou, Chien-hung

for and on behalf of PricewaterhouseCoopers, Taiwan

February 28, 2023

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The accompanying parent company only 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 parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers, Taiwan 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.

**WPG HOLDINGS LIMITED**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| Assets             |                                                                                             |                  | December 31, 2022 |     | December 31, 2021 |     |
|--------------------|---------------------------------------------------------------------------------------------|------------------|-------------------|-----|-------------------|-----|
|                    |                                                                                             |                  | Amount            | %   | Amount            | %   |
| Current assets     |                                                                                             |                  |                   |     |                   |     |
| 1100               | Cash and cash equivalents                                                                   | 6(1)             | \$ 92,227         | -   | \$ 86,530         | -   |
| 1180               | Accounts receivable - related parties, net                                                  | 7(3)             | 198,637           | -   | 164,265           | -   |
| 1200               | Other receivables                                                                           |                  | 60                | -   | 124               | -   |
| 1210               | Other receivables - related parties                                                         | 7(3)             | 565,904           | 1   | 292,570           | -   |
| 1410               | Prepayments                                                                                 |                  | 48,066            | -   | 68,627            | -   |
| 1470               | Other current assets                                                                        |                  | 2,537             | -   | 3,089             | -   |
| 11XX               | Total current assets                                                                        |                  | 907,431           | 1   | 615,205           | -   |
| Non-current assets |                                                                                             |                  |                   |     |                   |     |
| 1510               | Financial assets at fair value through profit or loss - non-current                         | 6(2)             | 555,992           | 1   | 637,096           | 1   |
| 1517               | Non-current financial assets at fair value through other comprehensive income - non-current | 6(3)             | 2,711,562         | 2   | 2,770,581         | 3   |
| 1550               | Investments accounted for under equity method                                               | 6(4), 7(3) and 8 | 89,688,324        | 88  | 75,513,753        | 86  |
| 1600               | Property, plant and equipment                                                               | 6(5) and 8       | 6,694,412         | 6   | 6,873,466         | 8   |
| 1755               | Right-of-use assets                                                                         | 6(6) and 7(3)    | 70,619            | -   | 74,773            | -   |
| 1760               | Investment property, net                                                                    | 6(7) and 8       | 1,623,133         | 2   | 1,547,057         | 2   |
| 1780               | Intangible assets                                                                           | 6(8)             | 79,090            | -   | 72,121            | -   |
| 1840               | Deferred income tax assets                                                                  | 6(24)            | 50,236            | -   | 37,859            | -   |
| 1990               | Other non-current assets                                                                    |                  | 10,195            | -   | 12,696            | -   |
| 15XX               | Total non-current assets                                                                    |                  | 101,483,563       | 99  | 87,539,402        | 100 |
| 1XXX               | Total assets                                                                                |                  | \$ 102,390,994    | 100 | \$ 88,154,607     | 100 |

(Continued)

**WPG HOLDINGS LIMITED**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

| Liabilities and Equity                                                   |                                    |             | December 31, 2022 |       | December 31, 2021 |        |
|--------------------------------------------------------------------------|------------------------------------|-------------|-------------------|-------|-------------------|--------|
|                                                                          |                                    |             | Amount            | %     | Amount            | %      |
| Current liabilities                                                      |                                    |             |                   |       |                   |        |
| 2100                                                                     | Short-term borrowings              | 6(9)        | \$ 6,305,000      | 6     | \$ 5,595,000      | 6      |
| 2110                                                                     | Short-term notes and bills payable | 6(10)       | 598,944           | 1     | 1,369,303         | 2      |
| 2150                                                                     | Notes payable                      |             | 229               | -     | 2,785             | -      |
| 2200                                                                     | Other payables                     |             | 673,126           | 1     | 613,094           | 1      |
| 2220                                                                     | Other payables - related parties   | 7(3)        | 1,925,795         | 1     | 14,019            | -      |
| 2230                                                                     | Current income tax liabilities     |             | 727,234           | 1     | 284,434           | -      |
| 2280                                                                     | Current lease liabilities          |             | 12,651            | -     | 11,781            | -      |
| 2300                                                                     | Other current liabilities          | 6(11)       | 115,010           | -     | 113,711           | -      |
| 21XX                                                                     | Total current liabilities          |             | 10,357,989        | 10    | 8,004,127         | 9      |
| Non-current liabilities                                                  |                                    |             |                   |       |                   |        |
| 2540                                                                     | Long-term borrowings               | 6(11) and 8 | 10,752,069        | 11    | 9,557,496         | 11     |
| 2570                                                                     | Deferred income tax liabilities    | 6(24)       | 85,205            | -     | 72,513            | -      |
| 2580                                                                     | Non-current lease liabilities      |             | 55,364            | -     | 59,891            | -      |
| 2600                                                                     | Other non-current liabilities      | 6(12)       | 84,117            | -     | 60,651            | -      |
| 25XX                                                                     | Total non-current liabilities      |             | 10,976,755        | 11    | 9,750,551         | 11     |
| 2XXX                                                                     | Total liabilities                  |             | 21,334,744        | 21    | 17,754,678        | 20     |
| Equity                                                                   |                                    |             |                   |       |                   |        |
| Capital                                                                  |                                    | 6(13)       |                   |       |                   |        |
| 3110                                                                     | Common stock                       |             | 16,790,568        | 16    | 16,790,568        | 19     |
| 3120                                                                     | Preference stock                   |             | 2,000,000         | 2     | 2,000,000         | 2      |
| Capital reserve                                                          |                                    | 6(14)       |                   |       |                   |        |
| 3200                                                                     | Capital reserve                    |             | 28,633,916        | 28    | 28,724,498        | 33     |
| Retained earnings                                                        |                                    | 6(15)       |                   |       |                   |        |
| 3310                                                                     | Legal reserve                      |             | 8,658,903         | 8     | 7,483,640         | 8      |
| 3320                                                                     | Special reserve                    |             | 9,926,105         | 10    | 8,832,794         | 10     |
| 3350                                                                     | Unappropriated earnings            |             | 18,524,643        | 18    | 16,494,533        | 19     |
| Other equity interest                                                    |                                    | 6(16)       |                   |       |                   |        |
| 3400                                                                     | Other equity interest              |             | ( 3,477,885 )     | ( 3 ) | ( 9,926,104 )     | ( 11 ) |
| 3XXX                                                                     | Total equity                       |             | 81,056,250        | 79    | 70,399,929        | 80     |
| Significant contingent liabilities and unrecognized contract commitments |                                    | 9           |                   |       |                   |        |
| 3X2X                                                                     | Total liabilities and equity       |             | \$ 102,390,994    | 100   | \$ 88,154,607     | 100    |

The accompanying notes are an integral part of these parent company only financial statements.

**WPG HOLDINGS LIMITED**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT EARNINGS PER SHARE DATA)

|      | Items                                                                                                                       | Notes              | 2022                 |              | 2021                   |              |
|------|-----------------------------------------------------------------------------------------------------------------------------|--------------------|----------------------|--------------|------------------------|--------------|
|      |                                                                                                                             |                    | Amount               | %            | Amount                 | %            |
| 4000 | <b>Operating revenues</b>                                                                                                   | 6(17) and 7(3)     | \$ 12,149,084        | 100          | \$13,000,495           | 100          |
| 5000 | <b>Operating costs</b>                                                                                                      | 6(22)(23) and 7(3) | ( 1,536,961)         | ( 13)        | ( 1,362,511)           | ( 10)        |
| 5900 | <b>Gross profit</b>                                                                                                         |                    | <u>10,612,123</u>    | <u>87</u>    | <u>11,637,984</u>      | <u>90</u>    |
|      | <b>Non-operating income and expenses</b>                                                                                    |                    |                      |              |                        |              |
| 7100 | Interest income                                                                                                             | 6(18)              | 366                  | -            | 86                     | -            |
| 7010 | Other income                                                                                                                | 6(19)              | 332,453              | 3            | 77,297                 | 1            |
| 7020 | Other gains or losses                                                                                                       | 6(20)              | ( 28,804)            | -            | ( 61,473)              | ( 1)         |
| 7050 | Financial costs                                                                                                             | 6(21)              | ( 239,335)           | ( 2)         | ( 174,825)             | ( 1)         |
| 7000 | <b>Total non-operating income and expenses</b>                                                                              |                    | <u>64,680</u>        | <u>1</u>     | <u>( 158,915)</u>      | <u>( 1)</u>  |
| 7900 | <b>Income before income tax</b>                                                                                             |                    | 10,676,803           | 88           | 11,479,069             | 89           |
| 7950 | Income tax (expense) benefit                                                                                                | 6(24)              | ( 164,337)           | ( 1)         | 17,864                 | -            |
| 8200 | <b>Profit for the year</b>                                                                                                  |                    | <u>\$ 10,512,466</u> | <u>87</u>    | <u>\$11,496,933</u>    | <u>89</u>    |
|      | <b>Other comprehensive income / (loss), net</b>                                                                             |                    |                      |              |                        |              |
|      | <b>Components of other comprehensive income (loss) that will not be reclassified to profit or loss</b>                      |                    |                      |              |                        |              |
| 8311 | Loss on remeasurement of defined benefit plan                                                                               | 6(12)              | ( 23,298)            | -            | ( 16,144)              | -            |
| 8316 | Unrealized gains or losses from investments in equity instruments measured at fair value through other comprehensive income | 6(3)(16)           | ( 921,524)           | ( 8)         | 1,059,263              | 8            |
| 8330 | Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for under equity method |                    | ( 2,575,552)         | ( 21)        | 619,853                | 5            |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss              | 6(24)              | 4,660                | -            | 3,229                  | -            |
| 8310 | <b>Other comprehensive (loss) income that will not be reclassified to profit or loss</b>                                    |                    | <u>( 3,515,714)</u>  | <u>( 29)</u> | <u>1,666,201</u>       | <u>13</u>    |
|      | <b>Components of other comprehensive income (loss) that will be reclassified to profit or loss</b>                          |                    |                      |              |                        |              |
| 8361 | Exchange differences on translation of foreign financial statements                                                         | 6(16)              | 408,704              | 3            | ( 129,471)             | ( 1)         |
| 8380 | Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for under equity method | 6(16)              | 9,554,972            | 79           | ( 2,573,198)           | ( 20)        |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss                  | 6(16)(24)          | ( 9,023)             | -            | 4,293                  | -            |
| 8360 | <b>Other comprehensive income (loss) that will be reclassified to profit or loss</b>                                        |                    | <u>9,954,653</u>     | <u>82</u>    | <u>( 2,698,376)</u>    | <u>( 21)</u> |
| 8300 | <b>Other comprehensive income (loss), net</b>                                                                               |                    | <u>\$ 6,438,939</u>  | <u>53</u>    | <u>( \$ 1,032,175)</u> | <u>( 8)</u>  |
| 8500 | <b>Total comprehensive income</b>                                                                                           |                    | <u>\$ 16,951,405</u> | <u>140</u>   | <u>\$10,464,758</u>    | <u>81</u>    |
|      | <b>Earnings per share (in dollars)</b>                                                                                      |                    |                      |              |                        |              |
| 9750 | <b>Basic earnings per share</b>                                                                                             | 6(25)              | \$ 6.02              |              | \$ 6.61                |              |
| 9850 | <b>Diluted earnings per share</b>                                                                                           | 6(25)              | \$ 6.02              |              | \$ 6.60                |              |

The accompanying notes are an integral part of these parent company only financial statements.

**WPG HOLDINGS LIMITED**  
**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**

|                                                                                                                         | Notes | Capital       |                  |                 | Retained Earnings |                 |                         | Other Equity Interest                                |                                                                                                           | Total equity  |
|-------------------------------------------------------------------------------------------------------------------------|-------|---------------|------------------|-----------------|-------------------|-----------------|-------------------------|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------|
|                                                                                                                         |       | Common stock  | Preference stock | Capital reserve | Legal reserve     | Special reserve | Unappropriated earnings | Exchange differences of foreign financial statements | Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income |               |
| <b>2021</b>                                                                                                             |       |               |                  |                 |                   |                 |                         |                                                      |                                                                                                           |               |
| Balance at January 1, 2021                                                                                              |       | \$ 16,790,568 | \$ 2,000,000     | \$ 28,848,733   | \$ 6,667,417      | \$ 5,420,694    | \$ 14,575,304           | (\$ 10,687,165 )                                     | \$ 1,854,371                                                                                              | \$ 65,469,922 |
| Net income                                                                                                              |       | -             | -                | -               | -                 | -               | 11,496,933              | -                                                    | -                                                                                                         | 11,496,933    |
| Other comprehensive income (loss)                                                                                       | 6(16) | -             | -                | -               | -                 | -               | ( 127,981 )             | ( 2,698,376 )                                        | 1,794,182                                                                                                 | ( 1,032,175 ) |
| Total comprehensive income (loss)                                                                                       |       | -             | -                | -               | -                 | -               | 11,368,952              | ( 2,698,376 )                                        | 1,794,182                                                                                                 | 10,464,758    |
| Appropriations and distribution of 2020 retained earnings                                                               | 6(15) |               |                  |                 |                   |                 |                         |                                                      |                                                                                                           |               |
| Legal reserve                                                                                                           |       | -             | -                | -               | 816,223           | -               | ( 816,223 )             | -                                                    | -                                                                                                         | -             |
| Special reserve                                                                                                         |       | -             | -                | -               | -                 | 3,412,100       | ( 3,412,100 )           | -                                                    | -                                                                                                         | -             |
| Cash dividends for common stock                                                                                         |       | -             | -                | -               | -                 | -               | ( 5,205,076 )           | -                                                    | -                                                                                                         | ( 5,205,076 ) |
| Cash dividends for preference stock                                                                                     |       | -             | -                | -               | -                 | -               | ( 400,000 )             | -                                                    | -                                                                                                         | ( 400,000 )   |
| Subsidiaries' disposal of investments in equity instruments designated at fair value through other comprehensive income |       | -             | -                | -               | -                 | -               | 189,116                 | -                                                    | ( 189,116 )                                                                                               | -             |
| Changes in equity of associates and joint ventures accounted for under equity method                                    | 6(14) | -             | -                | ( 137,660 )     | -                 | -               | 208,723                 | -                                                    | -                                                                                                         | 71,063        |
| Difference between consideration and carrying amount of subsidiaries acquired or disposed                               |       | -             | -                | -               | -                 | -               | ( 14,163 )              | -                                                    | -                                                                                                         | ( 14,163 )    |
| Changes in ownership interests in subsidiaries                                                                          |       | -             | -                | 13,425          | -                 | -               | -                       | -                                                    | -                                                                                                         | 13,425        |
| Balance at December 31, 2021                                                                                            |       | \$ 16,790,568 | \$ 2,000,000     | \$ 28,724,498   | \$ 7,483,640      | \$ 8,832,794    | \$ 16,494,533           | (\$ 13,385,541 )                                     | \$ 3,459,437                                                                                              | \$ 70,399,929 |
| <b>2022</b>                                                                                                             |       |               |                  |                 |                   |                 |                         |                                                      |                                                                                                           |               |
| Balance at January 1, 2022                                                                                              |       | \$ 16,790,568 | \$ 2,000,000     | \$ 28,724,498   | \$ 7,483,640      | \$ 8,832,794    | \$ 16,494,533           | (\$ 13,385,541 )                                     | \$ 3,459,437                                                                                              | \$ 70,399,929 |
| Net income                                                                                                              |       | -             | -                | -               | -                 | -               | 10,512,466              | -                                                    | -                                                                                                         | 10,512,466    |
| Other comprehensive income (loss)                                                                                       | 6(16) | -             | -                | -               | -                 | -               | ( 9,280 )               | 9,954,653                                            | ( 3,506,434 )                                                                                             | 6,438,939     |
| Total comprehensive income (loss)                                                                                       |       | -             | -                | -               | -                 | -               | 10,503,186              | 9,954,653                                            | ( 3,506,434 )                                                                                             | 16,951,405    |
| Appropriations and distribution of 2021 retained earnings                                                               | 6(15) |               |                  |                 |                   |                 |                         |                                                      |                                                                                                           |               |
| Legal reserve                                                                                                           |       | -             | -                | -               | 1,175,263         | -               | ( 1,175,263 )           | -                                                    | -                                                                                                         | -             |
| Special reserve                                                                                                         |       | -             | -                | -               | -                 | 1,093,311       | ( 1,093,311 )           | -                                                    | -                                                                                                         | -             |
| Cash dividends for common stock                                                                                         |       | -             | -                | -               | -                 | -               | ( 5,876,699 )           | -                                                    | -                                                                                                         | ( 5,876,699 ) |
| Cash dividends for preference stock                                                                                     |       | -             | -                | -               | -                 | -               | ( 400,000 )             | -                                                    | -                                                                                                         | ( 400,000 )   |
| Changes in equity of associates and joint ventures accounted for under equity method                                    | 6(14) | -             | -                | ( 91,345 )      | -                 | -               | 72,197                  | -                                                    | -                                                                                                         | ( 19,148 )    |
| Changes in ownership interests in subsidiaries                                                                          | 6(14) | -             | -                | 763             | -                 | -               | -                       | -                                                    | -                                                                                                         | 763           |
| Balance at December 31, 2022                                                                                            |       | \$ 16,790,568 | \$ 2,000,000     | \$ 28,633,916   | \$ 8,658,903      | \$ 9,926,105    | \$ 18,524,643           | (\$ 3,430,888 )                                      | (\$ 46,997 )                                                                                              | \$ 81,056,250 |

The accompanying notes are an integral part of these parent company only financial statements.

WPG HOLDINGS LIMITED  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

|                                                                                                      | <u>Notes</u> | <u>2022</u>      | <u>2021</u>      |
|------------------------------------------------------------------------------------------------------|--------------|------------------|------------------|
| <u>Cash flows from operating activities</u>                                                          |              |                  |                  |
| Income before income tax                                                                             |              | \$ 10,676,803    | \$ 11,479,069    |
| Adjustments                                                                                          |              |                  |                  |
| Income and expenses                                                                                  |              |                  |                  |
| Depreciation                                                                                         | 6(22)        | 179,987          | 173,589          |
| Amortization                                                                                         | 6(22)        | 70,595           | 57,913           |
| Loss on financial assets at fair value through profit or loss                                        | 6(20)        | 3,553            | 36,834           |
| Interest expense                                                                                     | 6(21)        | 239,335          | 174,825          |
| Interest income                                                                                      | 6(18)        | ( 366 )          | ( 86 )           |
| Dividend income                                                                                      | 6(19)        | ( 294,232 )      | ( 51,101 )       |
| (Gain) loss on disposal of investment                                                                | 6(20)        | ( 932 )          | 11,290           |
| Share of profit of subsidiaries, associates and joint ventures accounted for under the equity method | 6(17)        | ( 10,397,341 )   | ( 11,526,074 )   |
| Loss on disposal of property, plant and equipment                                                    | 6(20)        | -                | 28               |
| Gain on lease modification                                                                           | 6(20)        | ( 44 )           | ( 21 )           |
| Changes in assets/liabilities relating to operating activities                                       |              |                  |                  |
| Net changes in assets relating to operating activities                                               |              |                  |                  |
| Accounts receivable - related parties, net                                                           |              | ( 34,372 )       | ( 41,096 )       |
| Other receivables                                                                                    |              | 64               | ( 68 )           |
| Other receivables - related parties                                                                  |              | ( 3,101 )        | ( 608 )          |
| Prepayments                                                                                          |              | 20,561           | ( 12,379 )       |
| Other current assets                                                                                 |              | 552              | 56,979           |
| Changes in operating liabilities                                                                     |              |                  |                  |
| Notes payable                                                                                        |              | ( 2,556 )        | 1,087            |
| Other payables                                                                                       |              | 78,193           | 194,198          |
| Other payables - related parties                                                                     |              | ( 4,357 )        | 6,217            |
| Other current liabilities                                                                            |              | 491              | 3,705            |
| Other non-current liabilities                                                                        |              | ( 6,636 )        | 2,016            |
| Cash inflow generated from operations                                                                |              | 526,197          | 566,317          |
| Interest paid                                                                                        |              | ( 222,372 )      | ( 163,700 )      |
| Income tax received (paid)                                                                           |              | 4,182            | ( 3,659 )        |
| Interest received                                                                                    |              | 366              | 86               |
| Dividends received                                                                                   |              | 5,889,470        | 5,036,864        |
| Net cash provided by operating activities                                                            |              | <u>6,197,843</u> | <u>5,435,908</u> |

(Continued)

**WPG HOLDINGS LIMITED**  
**PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
**(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)**

|                                                                                                | Notes | 2022           | 2021           |
|------------------------------------------------------------------------------------------------|-------|----------------|----------------|
| <u>Cash flows from investing activities</u>                                                    |       |                |                |
| Acquisition of financial assets at fair value through other comprehensive income - non-current |       | ( \$ 862,504 ) | ( \$ 117,237 ) |
| Acquisition of financial assets at fair value through profit or loss - non-current             |       | -              | ( 125,311 )    |
| Proceeds from capital reduction of financial assets at fair value through profit or loss       |       | 77,551         | 62,296         |
| Capital increase in investees                                                                  | 7(3)  | ( 85,665 )     | ( 512,373 )    |
| Acquisition of property, plant and equipment                                                   | 6(26) | ( 54,738 )     | ( 117,364 )    |
| Increase in guarantee deposits paid                                                            |       | ( 2,734 )      | -              |
| Decrease in guarantee deposits paid                                                            |       | 5,235          | -              |
| Acquisition of intangible assets                                                               | 6(26) | ( 102,944 )    | ( 70,192 )     |
| Proceeds from disposal of intangible assets                                                    |       | -              | 6,362          |
| Acquisition of investment property                                                             | 6(26) | ( 9,622 )      | ( 848,539 )    |
| Net cash used in investing activities                                                          |       | ( 1,035,421 )  | ( 1,722,358 )  |
| <u>Cash flows from financing activities</u>                                                    |       |                |                |
| Principal repayment of lease liability                                                         | 6(27) | ( 15,048 )     | ( 19,049 )     |
| Increase in short-term borrowings                                                              | 6(27) | 58,995,000     | 38,165,100     |
| Decrease in short-term borrowings                                                              | 6(27) | ( 58,285,000 ) | ( 37,020,100 ) |
| Increase in short-term notes and bills payable                                                 | 6(27) | 5,600,697      | 7,560,579      |
| Decrease in short-term notes and bills payable                                                 | 6(27) | ( 6,371,056 )  | ( 7,390,697 )  |
| Increase in long-term borrowings (including current portion of long-term borrowings)           | 6(27) | 4,513,263      | 1,136,244      |
| Decrease in long-term borrowings (including current portion of long-term borrowings)           | 6(27) | ( 3,317,882 )  | ( 494,156 )    |
| Decrease in guarantee deposits received                                                        |       | -              | ( 300 )        |
| Distribution of cash dividends                                                                 | 6(15) | ( 6,276,699 )  | ( 5,605,076 )  |
| Net cash used in financing activities                                                          |       | ( 5,156,725 )  | ( 3,667,455 )  |
| Net increase in cash and cash equivalents                                                      |       | 5,697          | 46,095         |
| Cash and cash equivalents at beginning of year                                                 |       | 86,530         | 40,435         |
| Cash and cash equivalents at end of year                                                       |       | \$ 92,227      | \$ 86,530      |

The accompanying notes are an integral part of these parent company only financial statements.



WPG HOLDINGS LIMITED  
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,  
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANISATION

- (1) WPG Holdings Limited (the Company) was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China, and as a holding company of World Peace Industrial Co., Ltd. and Silicon Application Corporation by exchanging shares of common stock on November 9, 2005. The Company's shares were listed on the Taiwan Stock Exchange (TSE) and approved by the Financial Supervisory Commission, Executive Yuan, Securities and Futures Bureau on the same date. After restructuring, Richpower Electronic Devices Co., Ltd. became the Company on January 1, 2008. The Company acquired Pernas Electronics Co., Ltd., Asian Information Technology Inc., Yosun Industrial Corp. and AECO Technology Inc. by exchanging shares of common stock on July 16, 2008, February 6, 2009, November 15, 2010 and March 1, 2012, respectively. After the Company's organisation restructuring on January 1, 2014, World Peace Industrial Co., Ltd., Silicon Application Corp. and Yosun Industrial Corp. acquired 100% shares in AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. through share exchange, and consequently, AECO Technology Co., Ltd., Pernas Electronics Co., Ltd. and Richpower Electronic Devices Co., Ltd. became indirectly owned subsidiaries. The Company originally evaluated Genuine C&C, Inc. using equity method through its subsidiary, World Peace Industrial Co., Ltd. The Company acquired partial stocks of Genuine C&C, Inc. on April 8, 2015 and completed the purchase on April 15, 2015. After the purchase, the Company and World Peace Industrial Co., Ltd. collectively held 60.5% shares of Genuine C&C, Inc. which became the Company's directly owned subsidiary. On September 1, 2017, the stock swap between Trigold Holdings Limited (Trigold) and the shareholders who previously owned Genuine C&C, Inc. was conducted at a stock swap ratio of 1:1. On the same day, Trigold was established and began OTC trading whereas Genuine C&C, Inc. was unlisted at OTC. The Company owned 60.5% equity of Trigold after the stock swap.
- (2) The Company was organized to create the management mechanism of the group, supervise the subsidiaries, integrate the whole group and improve operational efficiency. As of December 31, 2022, the Company's authorized capital was \$25,000,000 (certain shares can be issued as preference shares, and including \$500,000 reserved for employee stock option certificate, restricted stocks to employees, preferred stocks with warrants and corporate bonds with warrants), and the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These parent company only financial statements were authorized for issuance by the Board of Directors on February 28, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRSs”) that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

| <u>New Standards, Interpretations and Amendments</u>                                | <u>Effective date by International Accounting Standards Board</u> |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Amendments to IFRS 3, ‘Reference to the conceptual framework’                       | January 1, 2022                                                   |
| Amendments to IAS 16, ‘Property, plant and equipment: proceeds before intended use’ | January 1, 2022                                                   |
| Amendments to IAS 37, ‘Onerous contracts - cost of fulfilling a contract’           | January 1, 2022                                                   |
| Annual improvements to IFRS Standards 2018 - 2020                                   | January 1, 2022                                                   |

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

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

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

| <u>New Standards, Interpretations and Amendments</u>                                                     | <u>Effective date by International Accounting Standards Board</u> |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Amendments to IAS 1, ‘Disclosure of accounting policies’                                                 | January 1, 2023                                                   |
| Amendments to IAS 8, ‘Definition of accounting estimates’                                                | January 1, 2023                                                   |
| Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’ | January 1, 2023                                                   |

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

(3) IFRSs 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:

| <u>New Standards, Interpretations and Amendments</u>                                                                      | <u>Effective date by<br/>International Accounting<br/>Standards Board</u> |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’ | To be determined by<br>International<br>Accounting Standards<br>Board     |
| Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’                                                          | January 1, 2024                                                           |
| 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 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                                                           |

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

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

##### (1) Compliance statement

These parent company only financial statements are prepared by the Company in accordance with the “Rules Governing the Preparation of Financial Statements by Securities Issuers”.

##### (2) Basis of preparation

A. Except for the following item, these parent company only financial statements have been prepared under the historical cost convention:

- (a) Financial assets at fair value through profit or loss.
- (b) Financial assets at fair value through other comprehensive income.
- (c) Defined benefit liabilities is 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 judgment in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The parent company only financial statements are presented in New Taiwan dollars, which is the Company’s functional and presentation currency.

A. Foreign currency transactions and balances

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

B. Translation of foreign operations

- (a) The operating results and financial position of all the Company entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
  - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
  - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
  - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When a foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, if the

Company retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (d) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(4) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
  - (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
  - (b) Assets held mainly for trading purposes;
  - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
  - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
  - (a) Liabilities that are expected to be paid off within the normal operating cycle;
  - (b) Liabilities arising mainly from trading activities;
  - (c) Liabilities that are to be paid off within twelve months from the balance sheet date;
  - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

(5) Cash and cash equivalents

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

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.
- D. The Company recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

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

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
- C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(9) Impairment of financial assets

For financial assets at amortized cost including accounts and notes receivable that have a significant financing component, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the

lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(10) Derecognition of financial assets

The Company derecognizes a financial asset when one of the following conditions is met:

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

(11) Leasing arrangements (lessor) - operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(12) Investments accounted for under the equity method / subsidiaries

- A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- B. Unrealized profit (loss) arising from the transactions between the Company and subsidiaries have been offset.
- C. The Company's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize losses proportionate to its ownership.
- D. Pursuant to the "Rules Governing the Preparation of Financial Statements by Securities Issuers," profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

(13) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

|                          |              |
|--------------------------|--------------|
| Buildings and structures | 3 ~ 50 years |
| Office equipment         | 2 ~ 25 years |
| Leasehold improvements   | 3 years      |

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

- A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:
  - (a) Fixed payments, less any lease incentives receivable;
  - (b) Amounts expected to be payable by the lessee under residual value guarantees;
  - (c) The exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
  - (d) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the



right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

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

- (a) The amount of the initial measurement of lease liability;
- (b) Any lease payments made at or before the commencement date;
- (c) Any initial direct costs incurred by the lessee; and
- (d) An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

(15) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 37~50 years.

(16) Intangible assets

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 1 to 3 years.

(17) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(18) Borrowings

A. Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

- B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

(19) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Derecognition of financial liabilities

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

(21) Offsetting financial instruments

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

(22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

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

(b) Defined benefit plan

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to

discount is determined by using interest rates of government bonds at the balance sheet date of a currency and term consistent with currency and term of the employment benefit obligation.

- ii. Remeasurement arising on defined benefit plan is recognized in other comprehensive income in the period in which they arise and is recorded as retained earnings.

C. Employees' compensation and directors' remuneration

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

(23) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

(24) Share capital

Ordinary shares are classified as equity. The classification of preference shares is determined according to the special rights attached to preference shares based on the substance of the contract and the definition of financial liabilities and equity instruments. Preference shares are classified as liabilities when they have the basic characteristics of financial liabilities; otherwise, they are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(25) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(26) Revenue recognition

- A. The Company's main business is to manage investees. When services rendered can be reasonably estimated, revenue is recognized by reference to the stage of completion at the balance sheet date.
- B. When services rendered cannot be reasonably estimated, possibility of cost recovery is considered when recognizing revenue. If it is possible to recover the cost incurred, the Company shall recognize revenue to the extent of the estimated recoverable cost that has been incurred; if it is not possible to recover the cost incurred, the Company shall not recognize revenue and shall recognize costs incurred as expense during the period.

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

The preparation of these parent company only financial statements requires management to make

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

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

Impairment assessment of investments accounted for under the equity method

The Company assesses the impairment of an investment accounted for under the equity method as soon as there is any indication that it might have been impaired and its carrying amount cannot be recoverable. The Company assesses the recoverable amounts of an investment accounted for under the equity method based on the present value of expected cash dividends receivable from the investee and expected future cash flows from the disposal of the investee, and analyses the reasonableness of related assumptions.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

|                            | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------|--------------------------|--------------------------|
| Checking accounts deposits | \$ 43                    | \$ 43                    |
| Demand deposits            | 36,430                   | 42,101                   |
| Foreign currency deposits  | 55,754                   | 44,386                   |
|                            | <u>\$ 92,227</u>         | <u>\$ 86,530</u>         |

A. The Company associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. No cash and cash equivalents were pledged to others.

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

| <u>Items</u>                                                               | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------------------------------------------------------|--------------------------|--------------------------|
| Non-current items:                                                         |                          |                          |
| Financial assets mandatorily measured at fair value through profit or loss |                          |                          |
| Listed stocks                                                              | \$ 85,347                | \$ 85,347                |
| Unlisted stocks                                                            | 487,061                  | 564,612                  |
|                                                                            | 572,408                  | 649,959                  |
| Valuation adjustment                                                       | ( 16,416)                | ( 12,863)                |
|                                                                            | <u>\$ 555,992</u>        | <u>\$ 637,096</u>        |

- A. Amounts recognized in profit (loss) in relation to financial assets at fair value through profit or loss for the years ended December 31, 2022 and 2021 were (\$3,553) and (\$36,834), respectively.
- B. The Company has no financial assets at fair value through profit or loss pledged to others as collateral.
- C. Information relating to financial assets at fair value through profit or loss is provided in Note 12(3).

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

| <u>Items</u>         | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------|--------------------------|--------------------------|
| Non-current items:   |                          |                          |
| Equity instruments   |                          |                          |
| Listed stocks        | \$ 2,517,757             | \$ 1,655,252             |
| Valuation adjustment | <u>193,805</u>           | <u>1,115,329</u>         |
|                      | <u>\$ 2,711,562</u>      | <u>\$ 2,770,581</u>      |

- A. The Company has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$2,711,562 and \$2,770,581 as at December 31, 2022 and 2021, respectively.
- B. 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:

|                                                                          | <u>Years ended December 31,</u> |                     |
|--------------------------------------------------------------------------|---------------------------------|---------------------|
|                                                                          | <u>2022</u>                     | <u>2021</u>         |
| <u>Financial assets at fair value through other comprehensive income</u> |                                 |                     |
| Fair value change recognized in other comprehensive income               | (\$ <u>921,524</u> )            | <u>\$ 1,059,263</u> |

- C. As at December 31, 2022 and 2021, 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 Company amounted to \$2,517,757 and \$1,655,252, respectively.
- D. The Company has no financial assets at fair value through other comprehensive income pledged to others as collateral.
- E. Information relating to credit risk of financial assets at fair value through other comprehensive income is provided in Note 12(2).

(4) Investments accounted for under the equity method

|                                     | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-------------------------------------|--------------------------|--------------------------|
| WT Microelectronics Co., Ltd. (WT)  | \$ 11,952,982            | \$ 12,856,281            |
| World Peace Industrial Co., Ltd.    | 31,911,580               | 25,979,230               |
| Yosun Industrial Corp.              | 13,939,256               | 12,023,438               |
| Silicon Application Corp.           | 9,595,680                | 7,358,195                |
| Asian Information Technology Inc.   | 7,841,571                | 5,861,122                |
| WPG International (CI) Limited      | 8,343,376                | 7,352,593                |
| WPG Investment Co., Ltd.            | 1,984,564                | 2,116,732                |
| Trigold Holdings Ltd.               | 1,271,553                | 1,218,447                |
| WPG Korea Co., Ltd.                 | 757,261                  | 584,238                  |
| WPG Electronics Ltd.                | 35,141                   | 46,361                   |
| WPG Electronics (Hong Kong) Limited | 816,630                  | -                        |
| WPG South Asia Pte. Ltd.            | 1,156,440                | -                        |
| WPG EMEA B.V.                       | 82,290                   | 117,116                  |
|                                     | <u>\$ 89,688,324</u>     | <u>\$ 75,513,753</u>     |

A. The basic information on the associate that is material to the Company is as follows:

| Company<br>name | Principal<br>place<br>of business | Shareholding ratio   |                      | Nature of relationship                       | Method of<br>measurement |
|-----------------|-----------------------------------|----------------------|----------------------|----------------------------------------------|--------------------------|
|                 |                                   | December 31,<br>2022 | December 31,<br>2021 |                                              |                          |
| WT              | Taiwan                            | 20.05%               | 22.06%               | Holding at least 20%<br>of the voting rights | Equity method            |

The summarized financial information of the associate that is material to the Company is as follows:

Balance sheet

|                                                                      | WT                       |                          |
|----------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                      | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
| Current assets                                                       | \$ 183,649,584           | \$ 149,136,255           |
| Non-current assets                                                   | 15,994,600               | 23,847,346               |
| Current liabilities                                                  | ( 124,816,197)           | ( 110,582,313)           |
| Non-current liabilities                                              | ( 20,411,652)            | ( 8,906,666)             |
| Total net assets                                                     | <u>\$ 54,416,335</u>     | <u>\$ 53,494,622</u>     |
| Adjustments on fair value of other intangible<br>and tangible assets | 125,590                  | 91,009                   |
| Total net assets after adjustments                                   | <u>\$ 54,541,925</u>     | <u>\$ 53,585,631</u>     |

|                                  | WT                       |                          |
|----------------------------------|--------------------------|--------------------------|
|                                  | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
| Share in associate's net assets  | \$ 10,865,811            | \$ 11,769,110            |
| Goodwill (Note)                  | 1,087,171                | 1,087,171                |
| Carrying amount of the associate | <u>\$ 11,952,982</u>     | <u>\$ 12,856,281</u>     |

Note: In February 2020, the Group held 29.9% equity interest in WT. However, WT increased its capital by issuing new shares in order to exchange shares with ASMedia Technology Inc., and the effective date for this share exchange was set on April 21, 2020, and the convertible bonds WT issued were converted to common stock. As the Company did not subscribe to the capital increase proportionately to its equity interest and WT issued employees' stock option certificate and purchased treasury shares, the Company's shareholding ratio of WT decreased to 20.05%, and its capital reserve decreased by \$91,345. The Company obtained purchase price allocation report issued by independent appraisals firm for goodwill which arose from acquiring the company's equity interests.

Statement of comprehensive income

|                                                | WT                       |                |
|------------------------------------------------|--------------------------|----------------|
|                                                | Years ended December 31, |                |
|                                                | 2022                     | 2021           |
| Revenue                                        | \$ 571,197,118           | \$ 447,896,117 |
| Profit for the year from continuing operations | 7,408,064                | 7,662,868      |
| Other comprehensive (loss) income, net of tax  | ( 7,069,962)             | 2,139,842      |
| Total comprehensive income for the year        | \$ 338,102               | \$ 9,802,710   |
| Dividends received from associates             | \$ 888,183               | \$ 567,230     |

B. The fair value of the Company's material associate with quoted market price is as follows:

|                               | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-------------------------------|--------------------------|--------------------------|
| WT Microelectronics Co., Ltd. | \$ 10,821,421            | \$ 13,017,585            |

C. There was no impairment on investments accounted for under the equity method for the years ended December 31, 2022 and 2021.

D. The Company is the single largest shareholder of WT with a 20.05% equity interest. Given the participation extent of other shareholders in the shareholders' meeting and record of voting rights for major proposals, which indicate that the Company has no current ability to direct the relevant activities of WT, the Company has no control, but only has significant influence, over the investee.

E. Details of the Company's subsidiaries are provided in Note 4(3) in the Company's 2022 consolidated financial statements.



(5) Property, plant and equipment

|                                                 | Land                | Buildings and structures | Office equipment  | Leasehold improvements | Construction in progress and equipment to be tested | Total               |
|-------------------------------------------------|---------------------|--------------------------|-------------------|------------------------|-----------------------------------------------------|---------------------|
| <u>Cost</u>                                     |                     |                          |                   |                        |                                                     |                     |
| At January 1, 2022                              | \$ 4,306,130        | \$ 2,527,876             | \$ 254,937        | \$ 1,046               | \$ 38,209                                           | \$ 7,128,198        |
| Additions                                       | -                   | 1,573                    | 11,597            | -                      | 38,628                                              | 51,798              |
| Disposals                                       | -                   | -                        | ( 12,621)         | ( 119)                 | -                                                   | ( 12,740)           |
| Transfer (Note 1)                               | -                   | -                        | -                 | -                      | ( 76,837)                                           | ( 76,837)           |
| At December 31, 2022                            | <u>\$ 4,306,130</u> | <u>\$ 2,529,449</u>      | <u>\$ 253,913</u> | <u>\$ 927</u>          | <u>\$ -</u>                                         | <u>\$ 7,090,419</u> |
| <u>Accumulated depreciation</u>                 |                     |                          |                   |                        |                                                     |                     |
| At January 1, 2022                              | \$ -                | \$ 134,136               | \$ 119,550        | \$ 1,046               | \$ -                                                | \$ 254,732          |
| Depreciation charge                             | -                   | 119,542                  | 34,473            | -                      | -                                                   | 154,015             |
| Disposals                                       | -                   | -                        | ( 12,621)         | ( 119)                 | -                                                   | ( 12,740)           |
| At December 31, 2022                            | <u>\$ -</u>         | <u>\$ 253,678</u>        | <u>\$ 141,402</u> | <u>\$ 927</u>          | <u>\$ -</u>                                         | <u>\$ 396,007</u>   |
| Closing net book amount as at December 31, 2022 | <u>\$ 4,306,130</u> | <u>\$ 2,275,771</u>      | <u>\$ 112,511</u> | <u>\$ -</u>            | <u>\$ -</u>                                         | <u>\$ 6,694,412</u> |

|                                                    | <u>Land</u>         | <u>Buildings and<br/>structures</u> | <u>Office<br/>equipment</u> | <u>Leasehold<br/>improvements</u> | <u>Construction in<br/>progress and<br/>equipment to<br/>be tested</u> | <u>Total</u>        |
|----------------------------------------------------|---------------------|-------------------------------------|-----------------------------|-----------------------------------|------------------------------------------------------------------------|---------------------|
| <u>Cost</u>                                        |                     |                                     |                             |                                   |                                                                        |                     |
| At January 1, 2021                                 | \$ 4,306,130        | \$ 2,489,628                        | \$ 238,122                  | \$ 1,046                          | \$ -                                                                   | \$ 7,034,926        |
| Additions                                          | -                   | 37,150                              | 30,950                      | -                                 | 38,209                                                                 | 106,309             |
| Disposals                                          | -                   | -                                   | ( 213)                      | -                                 | -                                                                      | ( 213)              |
| Transfer (Note 2)                                  | -                   | 1,098                               | ( 13,922)                   | -                                 | -                                                                      | ( 12,824)           |
| At December 31, 2021                               | <u>\$ 4,306,130</u> | <u>\$ 2,527,876</u>                 | <u>\$ 254,937</u>           | <u>\$ 1,046</u>                   | <u>\$ 38,209</u>                                                       | <u>\$ 7,128,198</u> |
| <u>Accumulated depreciation</u>                    |                     |                                     |                             |                                   |                                                                        |                     |
| At January 1, 2021                                 | \$ -                | \$ 17,752                           | \$ 84,591                   | \$ 1,033                          | \$ -                                                                   | \$ 103,376          |
| Depreciation charge                                | -                   | 116,384                             | 35,144                      | 13                                | -                                                                      | 151,541             |
| Disposals                                          | -                   | -                                   | ( 185)                      | -                                 | -                                                                      | ( 185)              |
| At December 31, 2021                               | <u>\$ -</u>         | <u>\$ 134,136</u>                   | <u>\$ 119,550</u>           | <u>\$ 1,046</u>                   | <u>\$ -</u>                                                            | <u>\$ 254,732</u>   |
| Closing net book amount as at December<br>31, 2021 | <u>\$ 4,306,130</u> | <u>\$ 2,393,740</u>                 | <u>\$ 135,387</u>           | <u>\$ -</u>                       | <u>\$ 38,209</u>                                                       | <u>\$ 6,873,466</u> |

Note 1: Construction in progress and equipment to be tested were transferred to investment property.

Note 2: Property, plant and equipment amounting to \$1,176 and \$11,648 were transferred to intangible assets and prepayments, respectively.

- A. Amount of borrowing costs capitalized as part of property, plant and equipment and the range of the interest rates for such capitalization are as follows:

|                                                | Years ended December 31, |       |
|------------------------------------------------|--------------------------|-------|
|                                                | 2022                     | 2021  |
| Amount capitalized                             | \$ 439                   | \$ 20 |
| Range of the interest rates for capitalization | 0.94%~1.05%              | 0.94% |

- B. Information on property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(6) Leasing arrangements-lessee

- A. The Company leases various assets including business vehicles, multifunction printers, engine room and parking space. Rental contracts are made for periods of 2 to 25 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

- B. The carrying amounts of right-of-use assets are as follows:

|                                                    | Transportation<br>equipment<br>(Business vehicles) | Office equipment<br>(multifunction<br>printers and<br>engine room) | Others<br>(parking space) | Total             |
|----------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------------|---------------------------|-------------------|
| <u>Cost</u>                                        |                                                    |                                                                    |                           |                   |
| At January 1, 2022                                 | \$ 13,945                                          | \$ 76,863                                                          | \$ 15,584                 | \$ 106,392        |
| Additions                                          | 2,692                                              | 8,743                                                              | -                         | 11,435            |
| Disposals                                          | (6,206)                                            | (17,901)                                                           | -                         | (24,107)          |
| At December 31, 2022                               | <u>\$ 10,431</u>                                   | <u>\$ 67,705</u>                                                   | <u>\$ 15,584</u>          | <u>\$ 93,720</u>  |
| <u>Accumulated depreciation</u>                    |                                                    |                                                                    |                           |                   |
| At January 1, 2022                                 | \$ 7,083                                           | \$ 18,043                                                          | \$ 6,493                  | \$ 31,619         |
| Depreciation charge                                | 3,518                                              | 6,876                                                              | 5,195                     | 15,589            |
| Disposals                                          | (6,206)                                            | (17,901)                                                           | -                         | (24,107)          |
| At December 31, 2022                               | <u>\$ 4,395</u>                                    | <u>\$ 7,018</u>                                                    | <u>\$ 11,688</u>          | <u>\$ 23,101</u>  |
| Closing net book amount as<br>at December 31, 2022 | <u>\$ 6,036</u>                                    | <u>\$ 60,687</u>                                                   | <u>\$ 3,896</u>           | <u>\$ 70,619</u>  |
|                                                    |                                                    |                                                                    |                           |                   |
|                                                    | Transportation<br>equipment<br>(Business vehicles) | Office equipment<br>(multifunction<br>printers and<br>engine room) | Others<br>(parking space) | Total             |
| <u>Cost</u>                                        |                                                    |                                                                    |                           |                   |
| At January 1, 2021                                 | \$ 6,206                                           | \$ 16,656                                                          | \$ 15,584                 | \$ 38,446         |
| Additions                                          | 7,739                                              | 60,207                                                             | -                         | 67,946            |
| At December 31, 2021                               | <u>\$ 13,945</u>                                   | <u>\$ 76,863</u>                                                   | <u>\$ 15,584</u>          | <u>\$ 106,392</u> |
| <u>Accumulated depreciation</u>                    |                                                    |                                                                    |                           |                   |
| At January 1, 2021                                 | \$ 4,062                                           | \$ 10,024                                                          | \$ 1,299                  | \$ 15,385         |
| Depreciation charge                                | 3,021                                              | 8,019                                                              | 5,194                     | 16,234            |
| At December 31, 2021                               | <u>\$ 7,083</u>                                    | <u>\$ 18,043</u>                                                   | <u>\$ 6,493</u>           | <u>\$ 31,619</u>  |
| Closing net book amount as<br>at December 31, 2021 | <u>\$ 6,862</u>                                    | <u>\$ 58,820</u>                                                   | <u>\$ 9,091</u>           | <u>\$ 74,773</u>  |

C. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were \$11,435 and \$67,946, respectively.

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

|                                       | Year ended        |                   |
|---------------------------------------|-------------------|-------------------|
|                                       | December 31, 2022 | December 31, 2021 |
| <u>Items affecting profit or loss</u> |                   |                   |
| Interest expense on lease liabilities | \$ 1,045          | \$ 1,112          |
| Expense on short-term lease contracts | 71                | 40                |

E. For the years ended December 31, 2022 and 2021, the Company's total cash outflow for leases were \$16,164 and \$20,201, respectively.

(7) Investment property

|                      | Land                | Buildings and structures | Total               |
|----------------------|---------------------|--------------------------|---------------------|
| <u>Cost</u>          |                     |                          |                     |
| At January 1, 2022   | \$ 1,337,619        | \$ 265,859               | \$ 1,603,478        |
| Additions            | -                   | 9,622                    | 9,622               |
| Transfers (Note)     | -                   | 76,837                   | 76,837              |
| At December 31, 2022 | <u>\$ 1,337,619</u> | <u>\$ 352,318</u>        | <u>\$ 1,689,937</u> |

|                                 |             |                  |                  |
|---------------------------------|-------------|------------------|------------------|
| <u>Accumulated depreciation</u> |             |                  |                  |
| At January 1, 2022              | \$ -        | \$ 56,421        | \$ 56,421        |
| Depreciation charge             | -           | 10,383           | 10,383           |
| At December 31, 2022            | <u>\$ -</u> | <u>\$ 66,804</u> | <u>\$ 66,804</u> |

|                                                 |                     |                   |                     |
|-------------------------------------------------|---------------------|-------------------|---------------------|
| Closing net book amount as at December 31, 2022 | <u>\$ 1,337,619</u> | <u>\$ 285,514</u> | <u>\$ 1,623,133</u> |
|-------------------------------------------------|---------------------|-------------------|---------------------|

|                      | Land                | Buildings and structures | Total               |
|----------------------|---------------------|--------------------------|---------------------|
| <u>Cost</u>          |                     |                          |                     |
| At January 1, 2021   | \$ 541,428          | \$ 213,511               | \$ 754,939          |
| Additions            | 796,191             | 52,348                   | 848,539             |
| At December 31, 2021 | <u>\$ 1,337,619</u> | <u>\$ 265,859</u>        | <u>\$ 1,603,478</u> |

|                                 |             |                  |                  |
|---------------------------------|-------------|------------------|------------------|
| <u>Accumulated depreciation</u> |             |                  |                  |
| At January 1, 2021              | \$ -        | \$ 50,607        | \$ 50,607        |
| Depreciation charge             | -           | 5,814            | 5,814            |
| At December 31, 2021            | <u>\$ -</u> | <u>\$ 56,421</u> | <u>\$ 56,421</u> |

|                                                 |                     |                   |                     |
|-------------------------------------------------|---------------------|-------------------|---------------------|
| Closing net book amount as at December 31, 2021 | <u>\$ 1,337,619</u> | <u>\$ 209,438</u> | <u>\$ 1,547,057</u> |
|-------------------------------------------------|---------------------|-------------------|---------------------|

Note: Construction in progress and equipment to be tested were transferred to investment property.

- A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

|                                                                                                             | Years ended December 31, |           |
|-------------------------------------------------------------------------------------------------------------|--------------------------|-----------|
|                                                                                                             | 2022                     | 2021      |
| Rental income from the investment property (shown as “other income”)                                        | \$ 28,671                | \$ 19,171 |
| Direct operating expenses arising from the investment property that generated rental income during the year | \$ 17,463                | \$ 11,782 |

- B. The fair value of the investment property held by the Company as at December 31, 2022 and 2021 was \$1,817,400 and \$1,776,530, respectively. The fair value as of December 31, 2022 and 2021 was based on independent appraisers’ valuation, which was made using comparative method, weighted income approach and cost method. Comparison method is to compare the valuation target with similar property which is traded around the valuation period. Comparison method is categorized within Level 3 in the fair value hierarchy. Cost method is to calculate the fair value based on the price standard of Bulletin No. 4 issued by the National Federation of Real Estate Appraisers of the Republic of China. Valuations were made using the income approach with key assumptions as follows:

|                     | December 31, 2022 | December 31, 2021 |
|---------------------|-------------------|-------------------|
| Discount rate       | 2.23%~2.37%       | 2.1%~2.2%         |
| Gross margin        | 0.82%~3.01%       | 1.19%~3.17%       |
| Capitalization rate | -                 | 1.22%             |

- C. There is no impairment loss on investment property.
- D. For investment property pledged for guarantee, refer to Note 8.
- E. All of the Company’s investment property are leased to subsidiaries. The leasing period is from March 2012 to August 2032. Except for the aforementioned leasing transactions, there was no similar transactions to compare with. The prices and terms are determined in accordance with mutual agreement. Rent is collected monthly.

(8) Intangible assets

|                 | Software   |            |
|-----------------|------------|------------|
|                 | 2022       | 2021       |
| <u>Cost</u>     |            |            |
| At January 1    | \$ 290,724 | \$ 270,263 |
| Additions       | 77,564     | 25,647     |
| Disposals       | ( 28,402)  | ( 6,362)   |
| Transfer (Note) | -          | 1,176      |
| At December 31  | \$ 339,886 | \$ 290,724 |

|                                 | Software          |                   |
|---------------------------------|-------------------|-------------------|
|                                 | 2022              | 2021              |
| <u>Accumulated amortization</u> |                   |                   |
| At January 1                    | \$ 218,603        | \$ 160,690        |
| Amortization charge             | 70,595            | 57,913            |
| Disposals                       | ( 28,402)         | -                 |
| At December 31                  | <u>\$ 260,796</u> | <u>\$ 218,603</u> |

At December 31

|                                           |                  |                  |
|-------------------------------------------|------------------|------------------|
| Closing net book amount as at December 31 | <u>\$ 79,090</u> | <u>\$ 72,121</u> |
|-------------------------------------------|------------------|------------------|

Note: Property, plant and equipment amounting to \$1,176 was transferred to intangible assets.

The details of amortization charge are as follows:

|                 | Years ended December 31, |                  |
|-----------------|--------------------------|------------------|
|                 | 2022                     | 2021             |
| Operating costs | <u>\$ 70,595</u>         | <u>\$ 57,913</u> |

(9) Short-term borrowings

| <u>Type of borrowings</u> | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|---------------------------|--------------------------|--------------------------|
| Unsecured borrowings      | <u>\$ 6,305,000</u>      | <u>\$ 5,595,000</u>      |
| Interest rate range       | <u>1.56%~2.1%</u>        | <u>0.84%~1.1%</u>        |

There was no collateral pledged for all types of short-term borrowings for all periods.

(10) Short-term notes and bills payable

|                            | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------|--------------------------|--------------------------|
| Commercial papers payable  | \$ 600,000               | \$ 1,370,000             |
| Less: Unamortized discount | ( 1,056)                 | ( 697)                   |
|                            | <u>\$ 598,944</u>        | <u>\$ 1,369,303</u>      |
| Annual interest rates      | <u>1.3%~1.84%</u>        | <u>0.24%~0.76%</u>       |

The above mentioned notes and bills payable are guaranteed by financial institutions.

(11) Long-term borrowings

| <u>Type</u>                                                                    | <u>Period</u> | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|--------------------------------------------------------------------------------|---------------|--------------------------|--------------------------|
| Secured bank borrowings                                                        | 2020/03/31~   |                          |                          |
| (Notes 1 and 5)                                                                | 2041/08/26    | \$ 6,232,000             | \$ 6,232,000             |
| Unsecured bank borrowings                                                      | 2020/03/10~   |                          |                          |
| (Notes 2 to 4)                                                                 | 2026/12/30    | 4,625,973                | 3,430,592                |
| Less: Current portion of long-term loan (Shown as 'other current liabilities') |               | ( 105,904)               | ( 105,096)               |
|                                                                                |               | <u>\$ 10,752,069</u>     | <u>\$ 9,557,496</u>      |
|                                                                                |               | <u>1.48%~1.99%</u>       | <u>1.15%~1.43%</u>       |

- Note 1: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Nangang new buildings with a grace period of three years. The principal is payable in equal monthly installments starting from April 2023.
- (b) The interest rate is the index interest rate plus 0.34% from the borrowing day to March 31, 2022, and from March 31, 2022 onwards, the interest rate is the index rate plus 0.45%. Details of collateral for the long-term borrowings are provided in Note 8.
- Note 2: The Company had entered into a long-term agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2023. The fixed interest rate is 1.43% from the borrowing day to March 10, 2022, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 10, 2022. The Company terminated the agreement before the maturity and renewed the agreement on March 7, 2022. Details are provided in Note 3.
- Note 3: The Company had entered into a long-term loan agreement for three years with a financial institution. The borrowing is payable in full at maturity in March 2025. The fixed interest rate is 1.48% from the borrowing day to March 11, 2024, and subsequently, the interest rate shall be the index interest rate plus 0.68% every three months from March 11, 2024.
- Note 4: The Company had entered into a mid-term agreement for five years with a financial institution. The interest rate shall be the index interest rate plus 0.45% from the borrowing day. The principal is payable in equal monthly installments starting from October 2020.
- Note 5: (a) The Company had entered into a long-term agreement for twenty years with a financial institution. The pledged assets are the Taoyuan plants with a grace period of three years. The principal is payable in equal monthly installments starting from September 2024.
- (b) The interest rate is the index interest rate plus 0.34% from the borrowing day to August 26, 2023, and from August 26, 2023 onwards, the interest rate shall be the index rate plus 0.45%. Details of collateral for the long-term borrowings are provided in Note 8.

(12) Pensions

A. Defined benefit plan

- (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 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March. Effective January 1, 2010, the Company has funded defined benefit pension plan in accordance with the "Regulations on pensions of managers", covering all managers appointed by the Company. Under the defined benefit pension plan, one unit is accrued for each year of service, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the remuneration per unit ratified during the appointed period.

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

|                                                                          | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|--------------------------------------------------------------------------|--------------------------|--------------------------|
| Present value of defined benefit obligation                              | \$ 103,808               | \$ 77,868                |
| Fair value of plan assets                                                | ( 27,395)                | ( 18,117)                |
| Net defined benefit liability (shown as 'other non-current liabilities') | <u>\$ 76,413</u>         | <u>\$ 59,751</u>         |



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

|                                              | Present value<br>of defined<br><u>benefit obligation</u> | Fair value<br>of plan assets | Net defined<br>benefit liability |
|----------------------------------------------|----------------------------------------------------------|------------------------------|----------------------------------|
| <u>Year ended December 31,</u>               |                                                          |                              |                                  |
| <u>2022</u>                                  |                                                          |                              |                                  |
| Balance at January 1                         | \$ 77,868                                                | (\$ 18,117)                  | \$ 59,751                        |
| Current service cost                         | 3,666                                                    | -                            | 3,666                            |
| Interest expense (income)                    | 545                                                      | (127)                        | 418                              |
|                                              | <u>82,079</u>                                            | <u>(18,244)</u>              | <u>63,835</u>                    |
| Remeasurements:                              |                                                          |                              |                                  |
| Return on plan assets                        | -                                                        | (1,325)                      | (1,325)                          |
| Change in financial assumptions              | (7,297)                                                  | -                            | (7,297)                          |
| Experience adjustments                       | <u>31,920</u>                                            | <u>-</u>                     | <u>31,920</u>                    |
|                                              | 24,623                                                   | (1,325)                      | 23,298                           |
| Direct payments charged to Company's account | (203)                                                    | -                            | (203)                            |
| Benefits paid                                | (2,691)                                                  | 2,691                        | -                                |
| Pension fund contribution                    | -                                                        | (10,517)                     | (10,517)                         |
| Balance at December 31                       | <u>\$ 103,808</u>                                        | <u>(\$ 27,395)</u>           | <u>\$ 76,413</u>                 |
|                                              |                                                          |                              |                                  |
|                                              | Present value<br>of defined<br><u>benefit obligation</u> | Fair value<br>of plan assets | Net defined<br>benefit liability |
| <u>Year ended December 31,</u>               |                                                          |                              |                                  |
| <u>2021</u>                                  |                                                          |                              |                                  |
| Balance at January 1                         | \$ 58,392                                                | (\$ 16,801)                  | \$ 41,591                        |
| Current service cost                         | 2,910                                                    | -                            | 2,910                            |
| Interest expense (income)                    | 175                                                      | (50)                         | 125                              |
|                                              | <u>61,477</u>                                            | <u>(16,851)</u>              | <u>44,626</u>                    |
| Remeasurements:                              |                                                          |                              |                                  |
| Return on plan assets                        | -                                                        | (247)                        | (247)                            |
| Change in demographic assumptions            | 39                                                       | -                            | 39                               |
| Change in financial assumptions              | (4,516)                                                  | -                            | (4,516)                          |
| Experience adjustments                       | <u>20,868</u>                                            | <u>-</u>                     | <u>20,868</u>                    |
|                                              | 16,391                                                   | (247)                        | 16,144                           |
| Pension fund contribution                    | -                                                        | (1,019)                      | (1,019)                          |
| Balance at December 31                       | <u>\$ 77,868</u>                                         | <u>(\$ 18,117)</u>           | <u>\$ 59,751</u>                 |

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund, hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

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

|                         | <u>Years ended December 31,</u> |              |
|-------------------------|---------------------------------|--------------|
|                         | <u>2022</u>                     | <u>2021</u>  |
| Discount rate           | <u>1.20%</u>                    | <u>0.70%</u> |
| Future salary increases | <u>3.00%</u>                    | <u>3.00%</u> |

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience based on the 6<sup>th</sup> Taiwan Standard Ordinary Experience Mortality Table.

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

|                                                       | <u>Discount rate</u> |                    | <u>Future salary increases</u> |                     |
|-------------------------------------------------------|----------------------|--------------------|--------------------------------|---------------------|
|                                                       | <u>Increase 1%</u>   | <u>Decrease 1%</u> | <u>Increase 1%</u>             | <u>Decrease 1%</u>  |
| <u>December 31, 2022</u>                              |                      |                    |                                |                     |
| Effect on present value of defined benefit obligation | (\$ <u>14,024</u> )  | <u>\$ 14,400</u>   | <u>\$ 10,468</u>               | (\$ <u>10,252</u> ) |
| <u>December 31, 2021</u>                              |                      |                    |                                |                     |
| Effect on present value of defined benefit obligation | (\$ <u>10,736</u> )  | <u>\$ 11,084</u>   | <u>\$ 7,836</u>                | (\$ <u>7,640</u> )  |

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

- (f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2023 amount to \$1,066.
- (g) As of December 31, 2022, the weighted average duration of that retirement plan is 7 years.

B. Defined contribution plan

- (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 not less than 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 pension costs of the Company under the defined contribution pension plan for the years ended December 31, 2022 and 2021 were \$13,082 and \$10,920, respectively.

(13) Share capital

- A. The Company’s authorized capital was \$25,000,000, of which certain shares can be issued as preference shares. The above authorized capital include \$500,000 reserved for employee stock option certificate, restricted stocks to employees, convertible preferred stock and convertible bonds. As of December 31, 2022, the paid-in capital was \$18,790,568 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.
- B. Movements in the number of the Company’s ordinary shares outstanding (in thousands of shares) for the years ended December 31, 2022 and 2021 are as follows:

|                              | <u>2022</u>      | <u>2021</u>      |
|------------------------------|------------------|------------------|
| At January 1 and December 31 | <u>1,679,057</u> | <u>1,679,057</u> |

- C. On June 28, 2019, the Board of Directors resolved to increase its capital by issuing 200 million shares of Class A preferred stocks at the price of \$50 (in dollars) per share with the effective date set on September 18, 2019 for repayment of borrowings to financial institutions and strengthening the Company’s working capital. The registration of issuance has been completed on October 3, 2019. The rights and obligations of the issuance are as follows:

- (a) Expiration date: The Company's Class A preferred stocks are perpetual but all or certain parts are callable at any time from the next day of five years after issuance at the actual issue price.
- (b) Dividends: Dividends are calculated at 4% (five-year IRS rate: 0.605%+3.395%) per annum based on the issue price per share. The five-year IRS rate will be reset on the next business day of five years since issuance and every subsequent five years and the pricing effective date for rate reset is two Taipei financial industry business days prior to the IRS rate reset date. The rate index, five-year IRS rate, is the arithmetic mean of five-year IRS rates appearing on Reuters pages "TAIFXIRS" and "COSMOS3" at 11:00 a.m. (Taipei time) on the relevant pricing effective date of rate reset. If such rate cannot be obtained, the Company will determine the rate based on the reasonable market price with good faith.
- (c) Dividend distribution: Dividends are distributed once per year in the form of cash. The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then shall be set aside as legal reserve in accordance with the Articles of Incorporation and set aside as or reversed special reserve in accordance with the Articles of Incorporation or regulations of regulatory authority. The remaining amount, if any, shall be preferentially distributed as dividends of Class A preferred stocks.

The Company has discretion in dividend distribution of Class A preferred stocks. The Company could choose not to distribute dividends of preferred stocks when resolved by the stockholders, which would not be able to lead to default if the Company has no or has insufficient current year's earnings for distribution or has other necessary considerations. In addition, the amounts of undistributed dividends or insufficient distributed dividends will not become deferred payments in future years when the Company has earnings.

- (d) Excess dividend distribution: Besides the aforementioned dividends, the stockholders of Class A preferred stocks could not participate in the distribution of cash and capitalized assets for common stocks derived from earnings and capital surplus.
- (e) Residual property distribution: The stockholders of Class A preferred stocks have priority over stockholders of common stocks in distributing the Company's residual property but the limit is the amount calculated by shares of outstanding preferred stocks issued and the issue price when distributing.
- (f) Right to vote and be elected: The stockholders of Class A preferred stocks have no right to vote and be elected in the stockholders' meeting of the Company but have right to vote in the stockholders' meeting for stockholders of Class A preferred stocks only and stockholders' meeting regarding unfavourable matters to rights and obligations of

stockholders of Class A preferred stocks.

- (g) Conversion to common stocks: Class A preferred stocks could not be converted to common stocks and the stockholders of Class A preferred stocks could not request the Company to retire the preferred stocks they held.
  - (h) The preemptive rights for stockholders of Class A preferred stocks are the same as of common stocks when the Company increases its capital by issuing new shares.
- D. On September 18, 2020, the Board of Directors of the Company resolved to increase its capital by issuing series B preference shares, and the issuing price is tentatively set at NT\$50 per share, and the expected total issuance amounted to \$5,000,000. The capital increase was approved by the FSC on October 21, 2020. However, in consideration of preference shares' capital market and the Company's overall maximum benefits, the Board of Directors of WPG Holdings Limited resolved to revoke and cancel the proposed capital increase of series B preference shares. The cancellation was approved by the FSC on April 6, 2021.

(14) Capital surplus

- A. Pursuant to the R.O.C. Company Law, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be 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.
- B. Details of capital surplus - stock options are as follows:

|                                                                                               | 2022                          |                                     |                                  |                                                     |                                         |                     |
|-----------------------------------------------------------------------------------------------|-------------------------------|-------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------|---------------------|
|                                                                                               | Common stock<br>share premium | Preferred<br>stock share<br>premium | Treasury<br>share<br>transaction | Recognized<br>changes in<br>subsidiaries'<br>equity | Changes in<br>associates'<br>net equity | Total               |
| January 1                                                                                     | \$ 19,387,285                 | \$7,994,638                         | \$ 45,177                        | \$ 13,856                                           | \$1,283,542                             | \$28,724,498        |
| Changes in equity of<br>associates and joint<br>ventures accounted for<br>under equity method | -                             | -                                   | -                                | -                                                   | ( 91,345)                               | ( 91,345)           |
| Changes in ownership<br>interest in subsidiaries                                              | -                             | -                                   | -                                | 763                                                 | -                                       | 763                 |
| December 31                                                                                   | <u>\$ 19,387,285</u>          | <u>\$7,994,638</u>                  | <u>\$ 45,177</u>                 | <u>\$ 14,619</u>                                    | <u>\$1,192,197</u>                      | <u>\$28,633,916</u> |

|                                                                                               | 2021                          |                                     |                                  |                                                     |                                         |                     |
|-----------------------------------------------------------------------------------------------|-------------------------------|-------------------------------------|----------------------------------|-----------------------------------------------------|-----------------------------------------|---------------------|
|                                                                                               | Common stock<br>share premium | Preferred<br>stock share<br>premium | Treasury<br>share<br>transaction | Recognized<br>changes in<br>subsidiaries'<br>equity | Changes in<br>associates'<br>net equity | Total               |
| January 1                                                                                     | \$ 19,387,285                 | \$7,994,638                         | \$ 45,177                        | \$ 431                                              | \$1,421,202                             | \$28,848,733        |
| Changes in equity of<br>associates and joint<br>ventures accounted for<br>under equity method | -                             | -                                   | -                                | -                                                   | ( 137,660)                              | ( 137,660)          |
| Changes in ownership<br>interest in subsidiaries                                              | -                             | -                                   | -                                | 13,425                                              | -                                       | 13,425              |
| December 31                                                                                   | <u>\$ 19,387,285</u>          | <u>\$7,994,638</u>                  | <u>\$ 45,177</u>                 | <u>\$ 13,856</u>                                    | <u>\$1,283,542</u>                      | <u>\$28,724,498</u> |

(15) Retained earnings

- A. Under the Company's amended Articles of Incorporation, the current year's earnings, if any, shall be used to set aside as legal reserve, and set aside as special reserve in accordance with Article 41 of Securities and Exchange Act. The remainder, if any, to be appropriated shall be proposed by the Board of Directors. If cash dividends are distributed, they shall account for at least 20% of the total dividends distributed.  
Employees of the Company's subsidiaries are entitled to receive the distribution of earnings. The terms shall be defined by the Board of Directors.
- B. Legal reserve can only be used to cover accumulated losses or issue new shares or cash to shareholders in proportion to their share ownership, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
- C. 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.
- D. The appropriations of 2021 earnings had been resolved at the shareholders' meeting on May 26, 2022. Also, the appropriations of 2020 earnings had been resolved after meeting the statutory voting threshold via the electronic voting platform during the shareholders' meeting and by the shareholders at their meeting on June 20, 2021 and August 3, 2021, respectively. Details are summarized below:

|                                       | For the years ended December 31, |                                    |                     |                                    |
|---------------------------------------|----------------------------------|------------------------------------|---------------------|------------------------------------|
|                                       | 2021                             |                                    | 2020                |                                    |
|                                       | Amount                           | Dividend per share<br>(in dollars) | Amount              | Dividend per share<br>(in dollars) |
| Legal reserve                         | \$ 1,175,263                     | \$ -                               | \$ 816,223          | \$ -                               |
| Provision for special<br>reserve      | 1,093,311                        | -                                  | 3,412,100           | -                                  |
| Cash dividends                        | 5,876,699                        | 3.50                               | 5,205,076           | 3.10                               |
| Cash dividends of<br>preference stock | 400,000                          | 2.00                               | 400,000             | 2.00                               |
|                                       | <u>\$ 8,545,273</u>              |                                    | <u>\$ 9,833,399</u> |                                    |

The appropriations of 2021 earnings which had been resolved after meeting the statutory voting threshold via the electronic voting platform during the shareholders' meeting and by the shareholders at their meeting and the appropriations of 2020 earnings which had been resolved by the shareholders were in line with the appropriations resolved by the Board of Directors.

- E. As of February 28, 2023, the appropriation of earnings for the year ended December 31, 2022 has not yet been proposed by the Board of Directors and resolved by the shareholders.
- F. For the information relating to employees' compensation and directors' remuneration, please refer to Note 6(23).

(16) Other equity items

|                                                                                 | 2022                                                                             |                         |                       |
|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-------------------------|-----------------------|
|                                                                                 | Investment<br>measured at fair<br>value through other<br>comprehensive<br>income | Currency<br>translation | Total                 |
| At January 1                                                                    | \$ 3,459,437                                                                     | (\$ 13,385,541)         | (\$ 9,926,104)        |
| Revaluation-gross                                                               | ( 921,524)                                                                       | -                       | ( 921,524)            |
| Revaluation-subsiidiaries and<br>associates                                     | ( 2,523,119)                                                                     | -                       | ( 2,523,119)          |
| Revaluation transferred to<br>retained earnings-subsiidiaries<br>and associates | ( 61,791)                                                                        | -                       | ( 61,791)             |
| Cumulative translation<br>differences:                                          |                                                                                  |                         |                       |
| - The Company                                                                   | -                                                                                | 408,704                 | 408,704               |
| - Tax on the Company                                                            | -                                                                                | ( 9,023)                | ( 9,023)              |
| - Subsidiaries                                                                  | -                                                                                | 8,628,323               | 8,628,323             |
| - Associates                                                                    | -                                                                                | 926,649                 | 926,649               |
| At December 31                                                                  | <u>(\$ 46,997)</u>                                                               | <u>(\$ 3,430,888)</u>   | <u>(\$ 3,477,885)</u> |

|                                                                                 | 2021                                                                             |                         |                       |
|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-------------------------|-----------------------|
|                                                                                 | Investment<br>measured at fair<br>value through other<br>comprehensive<br>income | Currency<br>translation | Total                 |
| At January 1                                                                    | \$ 1,854,371                                                                     | (\$ 10,687,165)         | (\$ 8,832,794)        |
| Revaluation-gross                                                               | 1,059,263                                                                        | -                       | 1,059,263             |
| Revaluation-subsiidiaries and<br>associates                                     | 774,771                                                                          | -                       | 774,771               |
| Revaluation transferred to<br>retained earnings-subsiidiaries<br>and associates | ( 228,968)                                                                       | -                       | ( 228,968)            |
| Cumulative translation<br>differences:                                          |                                                                                  |                         |                       |
| - The Company                                                                   | -                                                                                | ( 129,471)              | ( 129,471)            |
| - Tax on the Company                                                            | -                                                                                | 4,293                   | 4,293                 |
| - Subsidiaries                                                                  | -                                                                                | ( 2,343,314)            | ( 2,343,314)          |
| - Associates                                                                    | -                                                                                | ( 229,884)              | ( 229,884)            |
| At December 31                                                                  | <u>\$ 3,459,437</u>                                                              | <u>(\$ 13,385,541)</u>  | <u>(\$ 9,926,104)</u> |

(17) Operating revenue

|                     | Years ended December 31, |                      |
|---------------------|--------------------------|----------------------|
|                     | 2022                     | 2021                 |
| Investment revenues | \$ 10,397,341            | \$ 11,526,074        |
| Service revenue     | <u>1,751,743</u>         | <u>1,474,421</u>     |
|                     | <u>\$ 12,149,084</u>     | <u>\$ 13,000,495</u> |

(18) Interest income

|                                    | Years ended December 31, |              |
|------------------------------------|--------------------------|--------------|
|                                    | 2022                     | 2021         |
| Interest income from bank deposits | \$ 326                   | \$ 44        |
| Others                             | <u>40</u>                | <u>42</u>    |
|                                    | <u>\$ 366</u>            | <u>\$ 86</u> |

(19) Other income

|                 | Years ended December 31, |                  |
|-----------------|--------------------------|------------------|
|                 | 2022                     | 2021             |
| Dividend income | \$ 294,232               | \$ 51,101        |
| Rental revenue  | 32,102                   | 21,906           |
| Other income    | <u>6,119</u>             | <u>4,290</u>     |
|                 | <u>\$ 332,453</u>        | <u>\$ 77,297</u> |



(20) Other gains and losses

|                                                                               | Years ended December 31, |                    |
|-------------------------------------------------------------------------------|--------------------------|--------------------|
|                                                                               | 2022                     | 2021               |
| Loss on disposal of property, plant and equipment                             | \$ -                     | (\$ 28)            |
| Currency exchange loss                                                        | ( 2,945)                 | ( 1,560)           |
| Gain arising from lease modifications                                         | 44                       | 21                 |
| Depreciation on investment property                                           | ( 10,383)                | ( 5,814)           |
| Loss on financial assets and liabilities at fair value through profit or loss | ( 3,553)                 | ( 36,834)          |
| Gain (loss) on disposal of investments                                        | 932                      | ( 11,290)          |
| Other losses                                                                  | ( 12,899)                | ( 5,968)           |
|                                                                               | <u>(\$ 28,804)</u>       | <u>(\$ 61,473)</u> |

(21) Finance costs

|                                           | Years ended December 31, |                   |
|-------------------------------------------|--------------------------|-------------------|
|                                           | 2022                     | 2021              |
| Interest expense:                         |                          |                   |
| Bank borrowings                           | \$ 235,734               | \$ 168,247        |
| Less: Capitalization of qualifying assets | ( 439)                   | ( 20)             |
| Lease liabilities                         | 1,045                    | 1,112             |
| Others                                    | 2,995                    | 5,486             |
|                                           | <u>\$ 239,335</u>        | <u>\$ 174,825</u> |

(22) Additional information on expenses by nature

|                                           | Years ended December 31, |                   |
|-------------------------------------------|--------------------------|-------------------|
|                                           | 2022                     | 2021              |
| Employee benefit expense                  | <u>\$ 833,493</u>        | <u>\$ 787,727</u> |
| Depreciation charges                      |                          |                   |
| Property, plant and equipment             | \$ 154,015               | \$ 151,541        |
| Investment property                       | 10,383                   | 5,814             |
| Right-of-use assets                       | 15,589                   | 16,234            |
|                                           | <u>\$ 179,987</u>        | <u>\$ 173,589</u> |
| Amortization charges on intangible assets | <u>\$ 70,595</u>         | <u>\$ 57,913</u>  |

(23) Employee benefit expense

|                                 | Years ended December 31, |                   |
|---------------------------------|--------------------------|-------------------|
|                                 | 2022                     | 2021              |
| Wages and salaries              | \$ 701,995               | \$ 667,265        |
| Directors' remuneration         | 49,256                   | 52,869            |
| Labor and health insurance fees | 35,220                   | 31,638            |
| Pension costs                   | 17,166                   | 13,955            |
| Other personnel expenses        | 29,856                   | 22,000            |
|                                 | <u>\$ 833,493</u>        | <u>\$ 787,727</u> |

- A. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall be between 0.01%~5% for employees' compensation and shall not be higher than 3% for directors' remuneration.
- B. The Company established the audit committee, therefore, there was no remuneration paid to supervisors for the years ended December 31, 2022 and 2021.
- C. The Company's salary and remuneration policy:
  - (a) The overall remuneration structure of the Company's remuneration policy is based on two types: "guaranteed minimum income" and "incentive bonus". The guaranteed minimum income is for employees' basic financial needs, and the incentive bonus is an actual reward to encourage employee performance. The sum of two types of remuneration is employees' total salary income provided by the Company. The proportion of guaranteed income is relatively high for employees with lower ranks, whereas the proportion of incentive bonus is relatively high for employees with higher ranks. In addition, salary payments are implemented in accordance with the company's remuneration policy, with no difference between genders, in order to uphold the spirit of gender equality.
  - (b) Directors' remuneration is specified in the Company's Articles of Incorporation and approved by the shareholders. Under the Company's Articles of Incorporation, the Company shall pay rewards to the Company's directors when they acted their owned responsibilities on behalf of the Company no matter whether the Company had operating deficits. The determination of the reward to directors was authorised to the Board of Directors based on their participation frequency in the Company's operation and contribution to the Company's operation taking into consideration the pay level within the domestic and foreign industries. A reasonable remuneration to independent directors can be higher than non-independent directors. If the Company has earnings, if any, shall be distributed as directors' remuneration under the Company's Articles of Incorporation. Managers' salary has highly relevant with the Company's operating result and performance. Managers' salary is determined based on performance assessment made by the remuneration committee, taking into consideration the pay level within the same industry.
  - (c) The Company's managers also serve as the Company's directors, and the monthly salary is determined based on directors' salary and remuneration policy.
- D. For the years ended December 31, 2022 and 2021, employees' compensation was accrued at \$77,100 and \$80,700, respectively; while directors' remuneration was accrued at \$53,000 and \$53,000, respectively. The aforementioned amounts were recognized in salary expenses.

The employees' compensation and directors' remuneration were accrued based on the profit of current year distributable for the year ended December 31, 2022, and the percentage as prescribed by the Company's Articles of Incorporation. As of February 28, 2023, the amount has not yet been resolved by the Board of Directors.

For 2021, the employees' compensation and directors' remuneration resolved by the Board of Directors during its meeting on March 22, 2022 amounted to \$78,529 and \$49,256, respectively, and the employees' compensation and directors' remuneration recognized in the 2021 financial statements amounted to \$80,700 and \$53,000, respectively. The difference of \$2,171 and \$3,744 between the amounts resolved by the Board of Directors and the amounts recognized in the 2021 financial statements, mainly resulting from the increase in employees' compensation and decrease in directors' remuneration, had been adjusted in profit or loss in the first quarter of 2022. The employees' compensation was distributed in the form of cash.

- E. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors and shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(24) Income tax

A. Income tax expense

(a) Components of income tax expense:

|                                                   | <u>Years ended December 31,</u> |                    |
|---------------------------------------------------|---------------------------------|--------------------|
|                                                   | <u>2022</u>                     | <u>2021</u>        |
| Current tax:                                      |                                 |                    |
| Current tax on profits for the year               | \$ 7,059                        | (\$ 1,203)         |
| Prior year income under (over) estimation         | 958                             | ( 4,581)           |
| Tax on undistributed surplus earnings             | <u>160,368</u>                  | <u>-</u>           |
| Total current tax                                 | <u>168,385</u>                  | <u>( 5,784)</u>    |
| Deferred tax                                      |                                 |                    |
| Origination and reversal of temporary differences | ( <u>4,048</u> )                | ( <u>12,080</u> )  |
| Total deferred tax                                | ( <u>4,048</u> )                | ( <u>12,080</u> )  |
| Income tax expense (benefit)                      | <u>\$ 164,337</u>               | <u>(\$ 17,864)</u> |

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

|                                             | <u>Years ended December 31,</u> |                   |
|---------------------------------------------|---------------------------------|-------------------|
|                                             | <u>2022</u>                     | <u>2021</u>       |
| Currency translation differences            | \$ 9,023                        | (\$ 4,293)        |
| Remeasurement of defined benefit obligation | ( <u>4,660</u> )                | ( <u>3,229</u> )  |
|                                             | <u>\$ 4,363</u>                 | <u>(\$ 7,522)</u> |

B. Reconciliation between income tax expense and accounting profit

|                                                                  | Years ended December 31, |                     |
|------------------------------------------------------------------|--------------------------|---------------------|
|                                                                  | 2022                     | 2021                |
| Tax calculated based on profit before tax and statutory tax rate | \$ 2,135,360             | \$ 2,295,814        |
| Effects from items disallowed by tax regulation                  | ( 2,132,349)             | ( 2,309,097)        |
| Prior year income under (over) estimation                        | 958                      | ( 4,581)            |
| Tax on undistributed surplus earnings                            | 160,368                  | -                   |
| Income tax expense (benefit)                                     | <u>\$ 164,337</u>        | <u>( \$ 17,864)</u> |

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

| Year ended December 31, 2022                           |                     |                              |                                          |                     |
|--------------------------------------------------------|---------------------|------------------------------|------------------------------------------|---------------------|
|                                                        | January 1           | Recognized in profit or loss | Recognized in other comprehensive income | December 31         |
| Temporary differences:                                 |                     |                              |                                          |                     |
| -Deferred tax assets:                                  |                     |                              |                                          |                     |
| Investment loss                                        | \$ 9,270            | \$ 18,768                    | \$ -                                     | \$ 28,038           |
| Pension                                                | 8,190               | ( 2,028)                     | 4,660                                    | 10,822              |
| Currency translation adjustments                       | <u>20,399</u>       | <u>-</u>                     | <u>( 9,023)</u>                          | <u>11,376</u>       |
|                                                        | <u>37,859</u>       | <u>16,740</u>                | <u>( 4,363)</u>                          | <u>50,236</u>       |
| -Deferred tax liabilities:                             |                     |                              |                                          |                     |
| Investment income                                      | ( 73,908)           | ( 12,994)                    | -                                        | ( 86,902)           |
| Unrealized gains on valuation of foreign listed stocks | <u>1,395</u>        | <u>302</u>                   | <u>-</u>                                 | <u>1,697</u>        |
|                                                        | <u>( 72,513)</u>    | <u>( 12,692)</u>             | <u>-</u>                                 | <u>( 85,205)</u>    |
|                                                        | <u>( \$ 34,654)</u> | <u>\$ 4,048</u>              | <u>( \$ 4,363)</u>                       | <u>( \$ 34,969)</u> |
| Year ended December 31, 2021                           |                     |                              |                                          |                     |
|                                                        | January 1           | Recognized in profit or loss | Recognized in other comprehensive income | December 31         |
| Temporary differences:                                 |                     |                              |                                          |                     |
| -Deferred tax assets:                                  |                     |                              |                                          |                     |
| Investment loss                                        | \$ 3,470            | \$ 5,800                     | \$ -                                     | \$ 9,270            |
| Pension                                                | 5,109               | ( 148)                       | 3,229                                    | 8,190               |
| Currency translation adjustments                       | <u>16,106</u>       | <u>-</u>                     | <u>4,293</u>                             | <u>20,399</u>       |
|                                                        | <u>24,685</u>       | <u>5,652</u>                 | <u>7,522</u>                             | <u>37,859</u>       |
| -Deferred tax liabilities:                             |                     |                              |                                          |                     |
| Investment income                                      | ( 74,411)           | 503                          | -                                        | ( 73,908)           |
| Unrealized gains on valuation of foreign listed stocks | <u>( 4,530)</u>     | <u>5,925</u>                 | <u>-</u>                                 | <u>1,395</u>        |
|                                                        | <u>( 78,941)</u>    | <u>6,428</u>                 | <u>-</u>                                 | <u>( 72,513)</u>    |
|                                                        | <u>( \$ 54,256)</u> | <u>\$ 12,080</u>             | <u>\$ 7,522</u>                          | <u>( \$ 34,654)</u> |

D. As of February 28, 2023, the Company's income tax returns through 2017 have been assessed and approved by the Tax Authority.

(25) Earnings per share

|                                                                                       | Year ended December 31, 2022 |                                                                                       |                                       |
|---------------------------------------------------------------------------------------|------------------------------|---------------------------------------------------------------------------------------|---------------------------------------|
|                                                                                       | Amount<br>after tax          | Weighted average<br>number of ordinary<br>shares outstanding<br>(shares in thousands) | Earnings per<br>share<br>(in dollars) |
| <u>Basic earnings per share</u>                                                       |                              |                                                                                       |                                       |
| Profit attributable to ordinary shareholders of the parent                            | \$ 10,512,466                |                                                                                       |                                       |
| Less: Dividends of preference stock                                                   | ( 400,000)                   |                                                                                       |                                       |
| Profit used to calculate basic earnings per share/weighted-average number of shares   | <u>\$ 10,112,466</u>         | <u>1,679,057</u>                                                                      | <u>\$ 6.02</u>                        |
| <u>Diluted earnings per share</u>                                                     |                              |                                                                                       |                                       |
| Profit attributable to ordinary shareholders of the parent                            | \$ 10,512,466                |                                                                                       |                                       |
| Less: Dividends of preference stock                                                   | ( 400,000)                   |                                                                                       |                                       |
| Profit used to calculate basic earnings per share/weighted-average number of shares   | 10,112,466                   | 1,679,057                                                                             |                                       |
| Assumed conversion of all dilutive potential ordinary shares                          |                              |                                                                                       |                                       |
| Employees' compensation                                                               | -                            | 1,902                                                                                 |                                       |
| Profit used to calculate diluted earnings per share/weighted-average number of shares | <u>\$ 10,112,466</u>         | <u>1,680,959</u>                                                                      | <u>\$ 6.02</u>                        |
|                                                                                       | Year ended December 31, 2021 |                                                                                       |                                       |
|                                                                                       | Amount<br>after tax          | Weighted average<br>number of ordinary<br>shares outstanding<br>(shares in thousands) | Earnings per<br>share<br>(in dollars) |
| <u>Basic earnings per share</u>                                                       |                              |                                                                                       |                                       |
| Profit attributable to ordinary shareholders of the parent                            | \$ 11,496,933                |                                                                                       |                                       |
| Less: Dividends of preference stock                                                   | ( 400,000)                   |                                                                                       |                                       |
| Profit used to calculate basic earnings per share/weighted-average number of shares   | <u>\$ 11,096,933</u>         | <u>1,679,057</u>                                                                      | <u>\$ 6.61</u>                        |
| <u>Diluted earnings per share</u>                                                     |                              |                                                                                       |                                       |
| Profit attributable to ordinary shareholders of the parent                            | \$ 11,496,933                |                                                                                       |                                       |
| Less: Dividends of preference stock                                                   | ( 400,000)                   |                                                                                       |                                       |
| Profit used to calculate basic earnings per share/weighted-average number of shares   | 11,096,933                   | 1,679,057                                                                             |                                       |
| Assumed conversion of all dilutive potential ordinary shares                          |                              |                                                                                       |                                       |
| Employees' compensation                                                               | -                            | 1,808                                                                                 |                                       |
| Profit used to calculate diluted earnings per share/weighted-average number of shares | <u>\$ 11,096,933</u>         | <u>1,680,865</u>                                                                      | <u>\$ 6.60</u>                        |

(26) Supplemental cash flow information

Partial payment of cash from investing activities:

|                                                                                            | <u>Years ended December 31,</u> |                     |
|--------------------------------------------------------------------------------------------|---------------------------------|---------------------|
|                                                                                            | <u>2022</u>                     | <u>2021</u>         |
| Acquisition of property, plant and equipment,<br>investment property and intangible assets | \$ 138,984                      | \$ 980,495          |
| Add: Accounts payable at the beginning of the year                                         | 46,632                          | 102,232             |
| Less: Accounts payable at the end of year                                                  | ( 18,312)                       | ( 46,632)           |
| Cash paid during the year                                                                  | <u>\$ 167,304</u>               | <u>\$ 1,036,095</u> |

(27) Changes in liabilities from financing activities

|                                                      | <u>Short-term<br/>borrowings</u> | <u>Short-term<br/>notes and<br/>bills payable</u> | <u>Long-term<br/>borrowings<br/>(Note)</u> | <u>Lease<br/>liabilities</u> | <u>Liabilities<br/>from financing<br/>activities-gross</u> |
|------------------------------------------------------|----------------------------------|---------------------------------------------------|--------------------------------------------|------------------------------|------------------------------------------------------------|
| At January 1, 2022                                   | \$ 5,595,000                     | \$ 1,369,303                                      | \$ 9,662,592                               | \$ 71,672                    | \$ 16,698,567                                              |
| Changes in cash flow<br>from financing<br>activities | 710,000                          | ( 770,359)                                        | 1,195,381                                  | ( 15,048)                    | 1,119,974                                                  |
| Others                                               | -                                | -                                                 | -                                          | 11,391                       | 11,391                                                     |
| At December 31, 2022                                 | <u>\$ 6,305,000</u>              | <u>\$ 598,944</u>                                 | <u>\$ 10,857,973</u>                       | <u>\$ 68,015</u>             | <u>\$ 17,829,932</u>                                       |

|                                                      | <u>Short-term<br/>borrowings</u> | <u>Short-term<br/>notes and<br/>bills payable</u> | <u>Long-term<br/>borrowings<br/>(Note)</u> | <u>Lease<br/>liabilities</u> | <u>Liabilities<br/>from financing<br/>activities-gross</u> |
|------------------------------------------------------|----------------------------------|---------------------------------------------------|--------------------------------------------|------------------------------|------------------------------------------------------------|
| At January 1, 2021                                   | \$ 4,450,000                     | \$ 1,199,421                                      | \$ 9,020,504                               | \$ 22,796                    | \$ 14,692,721                                              |
| Changes in cash flow<br>from financing<br>activities | 1,145,000                        | 169,882                                           | 642,088                                    | ( 19,049)                    | 1,937,921                                                  |
| Others                                               | -                                | -                                                 | -                                          | 67,925                       | 67,925                                                     |
| At December 31, 2021                                 | <u>\$ 5,595,000</u>              | <u>\$ 1,369,303</u>                               | <u>\$ 9,662,592</u>                        | <u>\$ 71,672</u>             | <u>\$ 16,698,567</u>                                       |

Note: Including long-term borrowings-current portion less unamortized discounts.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company's shares are widely held so the Company has no ultimate parent and ultimate controlling party.

(2) Name of related parties and relationship

| <u>Names of related parties</u>                                  | <u>Relationship with the Company</u> |
|------------------------------------------------------------------|--------------------------------------|
| World Peace Industrial Co., Ltd. (World Peace Industrial)        | Subsidiary                           |
| Silicon Application Corporation (Silicon Application)            | "                                    |
| Asian Information Technology Inc. (Asian Information Technology) | "                                    |

| <u>Names of related parties</u>           | <u>Relationship with the Company</u>                                     |
|-------------------------------------------|--------------------------------------------------------------------------|
| WPG International (CI) Limited            | Subsidiary                                                               |
| WPG Electronic Ltd.                       | "                                                                        |
| WPG Electronics (Hong Kong) Limited       | "                                                                        |
| WPG China (SZ) Inc. (China (SZ))          | "                                                                        |
| WPG China Inc. (China (SH))               | "                                                                        |
| WPG Korea Co., Ltd.                       | "                                                                        |
| Yosun Industrial Corp. (Yosun Industrial) | "                                                                        |
| Trigold Holdings Limited (Trigold)        | "                                                                        |
| WPG Investment Co., Ltd. (WPG Investment) | "                                                                        |
| WPG South Asia Pte. Ltd.                  | "                                                                        |
| WPG EMEA B.V.                             | "                                                                        |
| WPI International (Hong Kong) Limited     | "                                                                        |
| WPG SCM Limited                           | "                                                                        |
| WT Microelectronics Co., Ltd. (WT)        | Investments accounted for using equity method of the Company             |
| AutoSys Co., Ltd.                         | Subsidiary accounted for under equity method of the Company's subsidiary |
| WPG Holdings Education Foundation         | One third of paid-in-capital was granted by the Company                  |
| Taiwan Industrial Holding Association     | The chairman of association and chairman of the Group are the same       |

(3) Significant transactions and balances with related parties

A. Service revenue

|                              | <u>Years ended December 31,</u> |                     |
|------------------------------|---------------------------------|---------------------|
|                              | <u>2022</u>                     | <u>2021</u>         |
| Subsidiaries                 |                                 |                     |
| World Peace Industrial       | \$ 945,392                      | \$ 780,173          |
| Yosun Industrial             | 311,693                         | 261,855             |
| Silicon Application          | 231,589                         | 204,668             |
| Asian Information Technology | 232,683                         | 196,753             |
| Others                       | 30,386                          | 30,972              |
|                              | <u>\$ 1,751,743</u>             | <u>\$ 1,474,421</u> |

Service revenue arose from providing administrative resources and managing services to subsidiaries. Prices and terms are determined in accordance with mutual agreement.

B. Service cost

|              | <u>Years ended December 31,</u> |             |
|--------------|---------------------------------|-------------|
|              | <u>2022</u>                     | <u>2021</u> |
| Subsidiaries | \$ 89,446                       | \$ 77,710   |

Service cost pertains to payments paid to subsidiaries for administrative resources and management services for engine room use. Prices and terms are determined in accordance with mutual agreement, and cost is paid at the end of the following month.

C. Accounts receivable

|                              | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|------------------------------|--------------------------|--------------------------|
| Subsidiaries                 |                          |                          |
| World Peace Industrial       | \$ 115,482               | \$ 65,760                |
| Silicon Application          | 24,302                   | 32,854                   |
| Yosun Industrial             | 39,990                   | 33,330                   |
| Asian Information Technology | 15,186                   | 30,952                   |
| Others                       | 3,677                    | 1,369                    |
|                              | <u>\$ 198,637</u>        | <u>\$ 164,265</u>        |

D. Other receivables

|                              | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|------------------------------|--------------------------|--------------------------|
| Subsidiaries                 |                          |                          |
| World Peace Industrial       | \$ 326,421               | \$ 113,230               |
| Asian Information Technology | 62,721                   | 65,833                   |
| Silicon Application          | 50,221                   | 67,918                   |
| Yosun Industrial             | 120,559                  | 42,496                   |
| Others                       | 5,982                    | 3,093                    |
|                              | <u>\$ 565,904</u>        | <u>\$ 292,570</u>        |

Other receivables represent receipts under custody, payment on behalf of others and collections from subsidiaries for filing consolidated tax returns.

E. Other payables

|                        | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|------------------------|--------------------------|--------------------------|
| Subsidiaries           |                          |                          |
| China (SZ)             | \$ 5,803                 | \$ 7,677                 |
| World Peace Industrial | 128                      | 2,319                    |
| China (SH)             | 1,434                    | 1,670                    |
| Yosun Industrial       | 603                      | 603                      |
| Others                 | 1,693                    | 1,750                    |
|                        | <u>\$ 9,661</u>          | <u>\$ 14,019</u>         |

The above represents payables to subsidiaries arising from payments on behalf of others and management service.

F. Acquisition of other assets

(a) On November 8, 2022, for the Group's strategic development and long-term arrangement, the Board of Directors resolved to conduct an organisation restructuring, and thus the Company acquired 100% of equity interest in WPG Electronics (Hong Kong) Limited from the subsidiary, WPG International (CI) Limited. The transaction



amount was USD 25,891 thousand (shown as ‘other payables to related parties’ of \$799,765). The equity transfer of aforementioned transaction had been completed on December 1, 2022.

- (b) On November 8, 2022, for the Group’s strategic development and long-term arrangement, the Board of Directors resolved to conduct an organisation restructuring, and thus the Company acquired 100% of equity interest in WPG South Asia Pte. Ltd. from the subsidiary, WPG International (CI) Limited. The transaction amount was USD 36,140 thousand (shown as ‘other payables to related parties’ of \$1,116,369). The equity transfer of aforementioned transaction had been completed on December 1, 2022.

G. Lease transactions - lessor

Refer to Note 6(6) for details.

H. Endorsements and guarantees provided to related parties

|                        | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|------------------------|--------------------------|--------------------------|
| Subsidiaries           |                          |                          |
| World Peace Industrial | \$ <u>90,770</u>         | \$ <u>90,707</u>         |

I. Others

- (a) For the years ended December 31, 2022 and 2021, the amount of the Company’s donations to other related parties were \$8,650 and \$6,000, respectively.
- (b) To meet subsidiaries’ operating requirements, the Company increased its capital in the subsidiary, WPG Korea Co., Ltd., amounting to \$85,665 and \$139,700 for the years ended December 31, 2022 and 2021, respectively.
- (c) The Company’s subsidiary, Trigold Holdings Limited, increased its capital by issuing new shares in September 2021. The Company subscribed to the capital increase in the amount of \$232,173. Accordingly, the Company’s equity interest decreased by 1.64% because the Company did not participate in the capital increase proportionally to its interest, resulting in an increase on the equity attributable to owners of the parent by \$2,563 (shown as “capital reserve”).

(4) Key management compensation

|                              | <u>Years ended December 31,</u> |                   |
|------------------------------|---------------------------------|-------------------|
|                              | <u>2022</u>                     | <u>2021</u>       |
| Short-term employee benefits | \$ 279,867                      | \$ 279,010        |
| Post-employment benefits     | 3,504                           | 2,761             |
|                              | <u>\$ 283,371</u>               | <u>\$ 281,771</u> |

8. PLEDGED ASSETS

| <u>Pledged asset</u>                                          | <u>December 31, 2022</u> | <u>December 31, 2021</u> | <u>Purpose</u>                                  |
|---------------------------------------------------------------|--------------------------|--------------------------|-------------------------------------------------|
| Investments accounted for under the equity method             | \$ 85,043                | \$ 90,707                | Subsidiary's guarantee for payment on purchases |
| Property, plant and equipment (including investment property) |                          |                          |                                                 |
| — Land                                                        | 5,102,321                | 5,102,321                | Collateral for long-term borrowings             |
| — Buildings                                                   | 2,409,325                | 2,445,745                | "                                               |
|                                                               | <u>\$ 7,596,689</u>      | <u>\$ 7,638,773</u>      |                                                 |

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. Information on endorsement/guarantee is provided in Note 7(3).

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

|                               | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|-------------------------------|--------------------------|--------------------------|
| Property, plant and equipment | <u>\$ -</u>              | <u>\$ 38,277</u>         |

C. As of December 31, 2022, the remaining payments for the contract of non-fixed car park the Company entered into amounted to \$68,400.

D. As of December 31, 2022, the unpaid payment arising from the service contracts signed for computer facilities, internet and information security maintenances amounted to \$59,850.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.

12. OTHERS

(1) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or manage operating capital effectively to reduce debt.

(2) Financial instruments

A. Financial instruments by category

|                                                                            | <u>December 31, 2022</u> | <u>December 31, 2021</u> |
|----------------------------------------------------------------------------|--------------------------|--------------------------|
| <u>Financial assets</u>                                                    |                          |                          |
| Financial assets measured at fair value through profit or loss             |                          |                          |
| Financial assets mandatorily measured at fair value through profit or loss | <u>\$ 555,992</u>        | <u>\$ 637,096</u>        |
| Financial assets at fair value through other comprehensive income          |                          |                          |
| Designation of equity instrument                                           | <u>\$ 2,711,562</u>      | <u>\$ 2,770,581</u>      |
| Financial assets at amortized cost                                         |                          |                          |
| Cash and cash equivalents                                                  | \$ 92,227                | \$ 86,530                |
| Accounts receivable - related parties                                      | 198,637                  | 164,265                  |
| Other receivables (including related parties)                              | 565,964                  | 292,694                  |
| Guarantee deposits paid                                                    | <u>10,195</u>            | <u>12,696</u>            |
|                                                                            | <u>\$ 867,023</u>        | <u>\$ 556,185</u>        |
| <u>Financial liabilities</u>                                               |                          |                          |
| Financial liabilities at amortized cost                                    |                          |                          |
| Short-term borrowings                                                      | \$ 6,305,000             | \$ 5,595,000             |
| Short-term notes and bills payable                                         | 598,944                  | 1,369,303                |
| Notes payable                                                              | 229                      | 2,785                    |
| Other payables (including related parties)                                 | 2,598,921                | 627,113                  |
| Long-term borrowings (including current portion)                           | 10,857,973               | 9,662,592                |
| Guarantee deposits received                                                | <u>900</u>               | <u>900</u>               |
|                                                                            | <u>\$ 20,361,967</u>     | <u>\$ 17,257,693</u>     |
| Lease liabilities                                                          | <u>\$ 68,015</u>         | <u>\$ 71,672</u>         |

B. Risk management policies

- (a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial position and financial performance.
- (b) Risk management is carried out by the central treasury department (Company treasury) under policies approved by the Board of Directors. The Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, 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. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and KRW. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.
- ii. The Company's businesses involve some non-functional currency operations (the Company's functional currency: NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

| December 31, 2022                          |                            |               |               |
|--------------------------------------------|----------------------------|---------------|---------------|
| (Foreign currency:<br>functional currency) | Foreign currency<br>amount | Exchange rate | Book value    |
|                                            | (In thousands)             |               | (NTD)         |
|                                            |                            |               |               |
| <u>Financial assets</u>                    |                            |               |               |
| <u>Non-monetary items</u>                  |                            |               |               |
| USD: NTD                                   | \$ 338,559                 | 30.71         | \$ 10,397,152 |
| KRW: NTD                                   | 31,249,676                 | 0.024         | 757,262       |
| <u>Financial liabilities</u>               |                            |               |               |
| <u>Monetary items</u>                      |                            |               |               |
| USD: NTD                                   | 62,394                     | 30.71         | 1,916,134     |
|                                            |                            |               |               |
| December 31, 2021                          |                            |               |               |
| (Foreign currency:<br>functional currency) | Foreign currency<br>amount | Exchange rate | Book value    |
|                                            | (In thousands)             |               | (NTD)         |
|                                            |                            |               |               |
| <u>Financial assets</u>                    |                            |               |               |
| <u>Non-monetary items</u>                  |                            |               |               |
| USD: NTD                                   | \$ 269,859                 | 27.68         | \$ 7,469,709  |
| KRW: NTD                                   | 25,045,421                 | 0.023         | 584,238       |

As of December 31, 2022, there was no significant monetary financial assets. As of December 31, 2021, there was no significant monetary financial assets and liabilities.

- iii. Analysis of foreign currency market risk arising from significant foreign exchange variation:

|                                         | December 31, 2022   |                          |                                      |
|-----------------------------------------|---------------------|--------------------------|--------------------------------------|
|                                         | Degree of variation | Effect on profit or loss | Effect on other comprehensive income |
| (Foreign currency: functional currency) |                     |                          |                                      |
| <u>Financial liabilities</u>            |                     |                          |                                      |
| <u>Monetary items</u>                   |                     |                          |                                      |
| USD: NTD                                | 1%                  | \$ 19,161                | \$ -                                 |

December 31, 2021: None.

Price risk

- i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.
- ii. The Company's investments in equity securities comprise shares in the domestic and foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by \$5,560 and \$6,371, 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 \$27,116 and \$27,706, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest risk

The Company's interest rate risk arises from short-term and long-term borrowings (including long-term liabilities due within a year) and short-term notes and bills payable. Borrowings and short-term notes payable issued at fixed rates expose the Company to fair value interest rate risk. The Company's borrowings were mainly in fixed rate. During the years ended December 31, 2022 and 2021, the Company's borrowings and commercial papers payable were mainly denominated in the NTD.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Company 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.
- ii. The Company manages its credit risk taking into consideration the entire company's concern. For banks and financial institutions, only independently rated parties with good credit quality are accepted. According to the Company's credit policy, the Company is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings. The utilisation of credit limits is regularly monitored.
- iii. Under IFRS 9, if the contract payments are past due over one month based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The default occurs when the contract payments are past due over 5 months.
- v. For the year ended December 31, 2021, no credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Company. The treasury department monitors rolling forecasts of the liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Company's debt financing plans and covenant compliance.
- ii. The table below analyses the Company'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.

Non-derivative financial liabilities:

|                                                  |                         | Between 1          | Between 2          |                     |
|--------------------------------------------------|-------------------------|--------------------|--------------------|---------------------|
| <u>December 31, 2022</u>                         | <u>Less than 1 year</u> | <u>and 2 years</u> | <u>and 5 years</u> | <u>Over 5 years</u> |
| Short-term borrowings                            | \$ 6,349,980            | \$ -               | \$ -               | \$ -                |
| Short-term notes and bills payable               | 600,000                 | -                  | -                  | -                   |
| Notes payable                                    | 229                     | -                  | -                  | -                   |
| Other payables                                   | 673,126                 | -                  | -                  | -                   |
| Other payables - related parties                 | 1,925,795               | -                  | -                  | -                   |
| Lease liabilities                                | 13,663                  | 7,546              | 12,344             | 42,161              |
| Long-term borrowings (including current portion) | 293,490                 | 530,913            | 5,781,554          | 5,569,609           |

Non-derivative financial liabilities:

|                                                  |                         | Between 1          | Between 2          |                     |
|--------------------------------------------------|-------------------------|--------------------|--------------------|---------------------|
| <u>December 31, 2021</u>                         | <u>Less than 1 year</u> | <u>and 2 years</u> | <u>and 5 years</u> | <u>Over 5 years</u> |
| Short-term borrowings                            | \$ 5,605,367            | \$ -               | \$ -               | \$ -                |
| Short-term notes and bills payable               | 1,370,000               | -                  | -                  | -                   |
| Notes payable                                    | 2,785                   | -                  | -                  | -                   |
| Other payables                                   | 613,094                 | -                  | -                  | -                   |
| Other payables - related parties                 | 14,019                  | -                  | -                  | -                   |
| Lease liabilities                                | 12,887                  | 9,687              | 12,220             | 45,486              |
| Long-term borrowings (including current portion) | 229,215                 | 3,412,891          | 1,420,123          | 5,464,049           |

(3) Fair value information

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

Level 1: Input that are quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if it meets all the following condition: the item traded in market are homogeneous; willing buyers and sellers can normally be found at any time; and price are available to the public. The fair value of the Company's investment in listed stocks is included in Level 1.

Level 2: Inputs other than public quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset and liability that are not based on observable market data. The fair value of the Company's investment in equity investment without active market is included in Level 3.

- B. Fair value information of investment property at cost is provided in Note 6(7).
- C. The carrying amounts of financial instruments not measured at fair value including cash and cash equivalents, accounts receivable - related parties, other receivables (including related parties), guarantee deposits paid, short-term borrowings, short-term notes and bills payable, notes payable, other payables (including related parties), lease liabilities (including current and non-current), long-term borrowings-current portion, long-term borrowings and guarantee deposits received are approximate to their fair values.
- D. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

(a) The related information on the nature of the assets and liabilities is as follows:

| <u>December 31, 2022</u>                                          | <u>Level 1</u>     | <u>Level 2</u>     | <u>Level 3</u>     | <u>Total</u>       |
|-------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| <u>Assets</u>                                                     |                    |                    |                    |                    |
| <u>Recurring fair value measurements</u>                          |                    |                    |                    |                    |
| Financial assets at fair value through profit or loss             |                    |                    |                    |                    |
| Equity securities                                                 | \$ 110,004         | \$ -               | \$ 445,988         | \$ 555,992         |
| Financial assets at fair value through other comprehensive income |                    |                    |                    |                    |
| Equity securities                                                 | <u>2,711,562</u>   | <u>-</u>           | <u>-</u>           | <u>2,711,562</u>   |
|                                                                   | <u>\$2,821,566</u> | <u>\$ -</u>        | <u>\$ 445,988</u>  | <u>\$3,267,554</u> |
| <br><u>December 31, 2021</u>                                      | <br><u>Level 1</u> | <br><u>Level 2</u> | <br><u>Level 3</u> | <br><u>Total</u>   |
| <u>Assets</u>                                                     |                    |                    |                    |                    |
| <u>Recurring fair value measurements</u>                          |                    |                    |                    |                    |
| Financial assets at fair value through profit or loss             |                    |                    |                    |                    |
| Equity securities                                                 | \$ 111,515         | \$ -               | \$ 525,581         | \$ 637,096         |
| Financial assets at fair value through other comprehensive income |                    |                    |                    |                    |
| Equity securities                                                 | <u>2,770,581</u>   | <u>-</u>           | <u>-</u>           | <u>2,770,581</u>   |
|                                                                   | <u>\$2,882,096</u> | <u>\$ -</u>        | <u>\$ 525,581</u>  | <u>\$3,407,677</u> |

- (b) The methods and assumptions the Company used to measure fair value are as follows:
- i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

|                     |                      |
|---------------------|----------------------|
|                     | <u>Listed shares</u> |
| Market quoted price | Closing price        |



- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques widely accepted in financial management.
  - iii. When assessing non-standard and low-complexity financial instruments, for example foreign exchange swap contracts, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
  - 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 Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs. In accordance with the Company'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.
  - v. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.
- E. For the years ended December 31, 2022 and 2021, there was no transfer from Level 1 to Level 2.
- F. Movements in Level 3 for the years ended December 31, 2022 and 2021 are as follows:

|                     | Years ended December 31, |                   |
|---------------------|--------------------------|-------------------|
|                     | 2022                     | 2021              |
| At January 1        | \$ 525,581               | \$ 469,773        |
| Additions           | -                        | 125,311           |
| Capital reduction   | ( 77,551)                | ( 62,296)         |
| Losses on valuation | ( 2,042)                 | ( 7,207)          |
| At December 31      | <u>\$ 445,988</u>        | <u>\$ 525,581</u> |

- G. Treasury segment is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions and frequently reviewed. Treasury segment set up valuation policies, valuation processes and rules for measuring fair value of financial instruments and ensure compliance with the related requirements in IFRS. The related valuation results are reported to management authority monthly. Management is

responsible for managing and reviewing valuation processes.

- H. 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:

|                                   | <u>Fair value at<br/>December 31, 2022</u> | <u>Valuation<br/>technique</u> | <u>Significant<br/>unobservable<br/>input</u> | <u>Range<br/>(weighted<br/>average)</u> | <u>Relationship of<br/>inputs to fair value</u>      |
|-----------------------------------|--------------------------------------------|--------------------------------|-----------------------------------------------|-----------------------------------------|------------------------------------------------------|
| Non-derivative equity instrument: |                                            |                                |                                               |                                         |                                                      |
| Equity without active market      | \$ 445,988                                 | Net asset value                | Net asset value                               | -                                       | The higher the net assets, the higher the fair value |

|                                   | <u>Fair value at<br/>December 31, 2021</u> | <u>Valuation<br/>technique</u> | <u>Significant<br/>unobservable<br/>input</u> | <u>Range<br/>(weighted<br/>average)</u> | <u>Relationship of<br/>inputs to fair value</u>      |
|-----------------------------------|--------------------------------------------|--------------------------------|-----------------------------------------------|-----------------------------------------|------------------------------------------------------|
| Non-derivative equity instrument: |                                            |                                |                                               |                                         |                                                      |
| Equity without active market      | \$ 525,581                                 | Net asset value                | Net asset value                               | -                                       | The higher the net assets, the higher the fair value |

- I. The Company 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 on profit or loss or on other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

|                    |                      | <u>December 31, 2022</u>            |                            |                                                 |                            |
|--------------------|----------------------|-------------------------------------|----------------------------|-------------------------------------------------|----------------------------|
|                    |                      | <u>Recognized in profit or loss</u> |                            | <u>Recognized in other comprehensive income</u> |                            |
|                    |                      | <u>Favourable change</u>            | <u>Unfavourable change</u> | <u>Favourable change</u>                        | <u>Unfavourable change</u> |
| <u>Input</u>       | <u>Change</u>        |                                     |                            |                                                 |                            |
| Financial assets   |                      |                                     |                            |                                                 |                            |
| Equity instruments | Net asset value ± 1% | \$ 4,460                            | (\$ 4,460)                 | \$ -                                            | \$ -                       |

|                    |                      | <u>December 31, 2021</u>            |                            |                                                 |                            |
|--------------------|----------------------|-------------------------------------|----------------------------|-------------------------------------------------|----------------------------|
|                    |                      | <u>Recognized in profit or loss</u> |                            | <u>Recognized in other comprehensive income</u> |                            |
|                    |                      | <u>Favourable change</u>            | <u>Unfavourable change</u> | <u>Favourable change</u>                        | <u>Unfavourable change</u> |
| <u>Input</u>       | <u>Change</u>        |                                     |                            |                                                 |                            |
| Financial assets   |                      |                                     |                            |                                                 |                            |
| Equity instruments | Net asset value ± 1% | \$ 5,256                            | (\$ 5,256)                 | \$ -                                            | \$ -                       |

(4) Others

In response to the Covid-19 outbreak, the Company implemented several preventive measures imposed by the government. All offices and operating locations have adopted high-standard pandemic prevention measures and different methods in response to government regulations. Currently, the pandemic had no significant impact on the Company's operations and business conditions.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.
- D. Aggregate purchases or sale of the same security with reaching \$300 million or 20% of the Company's paid-in capital: Refer to table 4.
- 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: Refer to table 5.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
- I. Derivative financial instruments undertaken during the reporting periods: Refer to Notes 6(2) and 12(3).
- J. Significant inter-company transactions during the reporting periods: Refer to table 7.

(2) Information of investee companies

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 8.

(3) Information on investments in Mainland China

- A. Basic information: Refer to table 9.
- B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area.  
Any of the following significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: Information on significant transactions of the Company and

subsidiary and investee company in Mainland China as of and for the year ended December 31, 2022 is provided in Note (1) J.

(4) Major shareholders information

Major shareholders information: Refer to table 10.

14. OPERATING SEGMENT INFORMATION

In accordance with IFRS 8, operating segment information is disclosed in the consolidated financial statements.

WPG Holdings Limited and Subsidiaries  
Loans to others  
Year ended December 31, 2022

Table 1

Expressed in thousands of NTD  
(Except as otherwise indicated)

| No. | Creditor                                        | Borrower                                                 | General ledger account | Is a related party | Maximum outstanding balance during the year ended | Balance at        | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-------------------------------------------------|----------------------------------------------------------|------------------------|--------------------|---------------------------------------------------|-------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                                                 |                                                          |                        |                    | December 31, 2022                                 | December 31, 2022 |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 1   | Apache Korea Corp.                              | WPG Korea Co., Ltd.                                      | Other receivables      | Y                  | \$ 53,313                                         | \$ 53,313         | 53,313                   | 4.60          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 74,997                                | \$ 74,997                      | Note 1   |
| 2   | Genuine C&C (IndoChina) Pte Ltd.                | World Peace International (South Asia) Pte Ltd.          | Other receivables      | Y                  | 64,430                                            | 61,420            | 61,420                   | 5.66          | 2                        | -                                        | Operations                      | -                               | None       | -     | 89,864                                   | 89,864                         | Note 3   |
| 3   | GENUINE C&C HOLDING INC. (Seychelles)           | Peng Yu Trigold Limited                                  | Other receivables      | Y                  | 142,875                                           | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 144,743                                  | 144,743                        | Note 5   |
| 3   | GENUINE C&C HOLDING INC. (Seychelles)           | Genuine C&C, Inc.                                        | Other receivables      | Y                  | 51,544                                            | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 57,897                                   | 144,743                        | Note 5   |
| 4   | Richpower Electronic Devices Pte., Ltd.         | Yosun Singapore Pte Ltd.                                 | Other receivables      | Y                  | 476,005                                           | 476,005           | 236,467                  | 5.66          | 2                        | -                                        | Operations                      | -                               | None       | -     | 479,767                                  | 479,767                        | Note 4   |
| 5   | World Peace International (India) Pvt., Ltd.    | WPG C&C Computers And Peripheral (India) Private Limited | Other receivables      | Y                  | 19,565                                            | 18,557            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 89,204                                   | 89,204                         | Note 8   |
| 6   | World Peace International (South Asia) Pte Ltd. | WPI International (Hong Kong) Limited                    | Other receivables      | Y                  | 1,113,000                                         | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 7,624,685                                | 7,624,685                      | Note 3   |
| 6   | World Peace International (South Asia) Pte Ltd. | WPG Electronics (Hong Kong) Limited                      | Other receivables      | Y                  | 589,500                                           | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 7,624,685                                | 7,624,685                      | Note 3   |
| 6   | World Peace International (South Asia) Pte Ltd. | WPG Americas Inc.                                        | Other receivables      | Y                  | 1,369,575                                         | 307,100           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 7,624,685                                | 7,624,685                      | Note 3   |
| 6   | World Peace International (South Asia) Pte Ltd. | WPI Technology Pte Ltd.                                  | Other receivables      | Y                  | 96,645                                            | 92,130            | 49,136                   | 5.66          | 2                        | -                                        | Operations                      | -                               | None       | -     | 7,624,685                                | 7,624,685                      | Note 3   |
| 7   | WPG C&C Limited                                 | WPI International (Hong Kong) Limited                    | Other receivables      | Y                  | 257,720                                           | 245,680           | 245,680                  | 3.25~4.45     | 2                        | -                                        | Operations                      | -                               | None       | -     | 287,578                                  | 287,578                        | Note 5   |

| No. | Creditor                                | Borrower                                        | General ledger account | Is a related party | Maximum outstanding balance during the year ended | Balance at        | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-----------------------------------------|-------------------------------------------------|------------------------|--------------------|---------------------------------------------------|-------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                                         |                                                 |                        |                    | December 31, 2022                                 | December 31, 2022 |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 8   | WPG India Electronics Pvt Ltd.          | World Peace International (India) Pvt., Ltd.    | Other receivables      | Y                  | \$ 23,477                                         | \$ 22,268         | \$ 22,268                | 9.30          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 167,371                               | \$ 167,371                     | Note 3   |
| 9   | WPG South Asia Pte. Ltd.                | WPG Korea Co., Ltd.                             | Other receivables      | Y                  | 772,250                                           | 767,750           | 429,940                  | 6.23          | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,309,715                                | 2,309,715                      | Note 8   |
| 9   | WPG South Asia Pte. Ltd.                | WPG Americas Inc.                               | Other receivables      | Y                  | 322,150                                           | 307,100           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,309,715                                | 2,309,715                      | Note 8   |
| 9   | WPG South Asia Pte. Ltd.                | World Peace International (South Asia) Pte Ltd. | Other receivables      | Y                  | 308,900                                           | 153,550           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,309,715                                | 2,309,715                      | Note 8   |
| 10  | WPI International (South Asia) Pte Ltd. | World Peace International (South Asia) Pte Ltd. | Other receivables      | Y                  | 257,720                                           | 245,680           | 107,485                  | 5.66          | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,392,029                                | 2,392,029                      | Note 3   |
| 11  | Yosun Hong Kong Corp. Ltd.              | WPG China Inc.                                  | Other receivables      | Y                  | 2,140,350                                         | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Richpower Electronic Devices Co., Limited       | Other receivables      | Y                  | 966,450                                           | 921,300           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Yosun Industrial Corp.                          | Other receivables      | Y                  | 264,480                                           | 264,480           | 264,480                  | 4.28          | 2                        | -                                        | Operations                      | -                               | None       | -     | 2,103,949                                | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Yosun Shanghai Corp. Ltd.                       | Other receivables      | Y                  | 264,480                                           | 264,480           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Peng Yu Trigold Limited                         | Other receivables      | Y                  | 322,150                                           | -                 | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 11  | Yosun Hong Kong Corp. Ltd.              | Yosun Singapore Pte Ltd.                        | Other receivables      | Y                  | 256,387                                           | 254,893           | 254,893                  | 5.79          | 2                        | -                                        | Operations                      | -                               | None       | -     | 10,519,744                               | 10,519,744                     | Note 4   |
| 12  | Yosun Singapore Pte Ltd.                | World Peace International (South Asia) Pte Ltd. | Other receivables      | Y                  | 322,150                                           | 307,100           | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 833,726                                  | 833,726                        | Note 4   |
| 13  | AECO Technology Co., Ltd.               | World Peace Industrial Co., Ltd.                | Other receivables      | Y                  | 40,400                                            | 32,000            | 32,000                   | 1.30          | 2                        | -                                        | Operations                      | -                               | None       | -     | 410,435                                  | 410,435                        | Note 2   |
| 14  | AECO Electronics Co., Ltd.              | WPI International (Hong Kong) Limited           | Other receivables      | Y                  | 773,160                                           | 737,040           | 737,040                  | 1.60~4.45     | 2                        | -                                        | Operations                      | -                               | None       | -     | 839,637                                  | 839,637                        | Note 5   |
| 15  | WPG SCM Limited                         | WPG Electronics (Hong Kong) Limited             | Other receivables      | Y                  | 322,150                                           | 307,100           | 307,100                  | 5.73          | 2                        | -                                        | Operations                      | -                               | None       | -     | 1,331,648                                | 1,331,648                      | Note 8   |

Table 1, Page 2

| No. | Creditor                     | Borrower                                              | General ledger account | Is a related party | Maximum outstanding balance during the year ended December 31, 2022 | Balance at December 31, 2022 | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|------------------------------|-------------------------------------------------------|------------------------|--------------------|---------------------------------------------------------------------|------------------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                              |                                                       |                        |                    |                                                                     |                              |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 15  | WPG SCM Limited              | WPG Korea Co., Ltd.                                   | Other receivables      | Y                  | \$ 361,725                                                          | \$ 214,970                   | \$ 214,970               | 5.99          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 1,331,648                             | \$ 1,331,648                   | Note 8   |
| 15  | WPG SCM Limited              | WPG Americas Inc.                                     | Other receivables      | Y                  | 644,300                                                             | 614,200                      | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 1,331,648                                | 1,331,648                      | Note 8   |
| 16  | WPG China (SZ) Inc.          | LaaS (Dongguan) Supply Chain Management Limited       | Other receivables      | Y                  | 134,190                                                             | 132,240                      | 132,240                  | 3.90          | 2                        | -                                        | Operations                      | -                               | None       | -     | 1,270,348                                | 1,270,348                      | Note 5   |
| 17  | WPG China Inc.               | LaaS (Dongguan) Supply Chain Management Limited       | Other receivables      | Y                  | 22,530                                                              | 22,040                       | 22,040                   | 4.18          | 2                        | -                                        | Operations                      | -                               | None       | -     | 3,606,038                                | 3,606,038                      | Note 5   |
| 18  | Yosun Industrial Corp.       | Yosun Hong Kong Corp. Ltd.                            | Other receivables      | Y                  | 1,947,750                                                           | 1,535,500                    | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 4,076,821                                | 4,076,821                      | Note 2   |
| 18  | Yosun Industrial Corp.       | Richpower Electronic Devices Co., Ltd.                | Other receivables      | Y                  | 300,000                                                             | 300,000                      | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 4,076,821                                | 4,076,821                      | Note 2   |
| 18  | Yosun Industrial Corp.       | Yosun Shanghai Corp. Ltd.                             | Other receivables      | Y                  | 1,037,760                                                           | 264,480                      | 264,480                  | 5.34          | 2                        | -                                        | Operations                      | -                               | None       | -     | 4,076,821                                | 4,076,821                      | Note 2   |
| 19  | Yosun South China Corp. Ltd. | WPG China Inc.                                        | Other receivables      | Y                  | 202,770                                                             | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 220,826                                  | 220,826                        | Note 5   |
| 19  | Yosun South China Corp. Ltd. | Yosun Shanghai Corp. Ltd.                             | Other receivables      | Y                  | 198,360                                                             | 198,360                      | 198,360                  | 2.80          | 2                        | -                                        | Operations                      | -                               | None       | -     | 220,826                                  | 220,826                        | Note 5   |
| 20  | Yosun Shanghai Corp. Ltd.    | WPG China Inc.                                        | Other receivables      | Y                  | 238,818                                                             | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 380,366                                  | 380,366                        | Note 5   |
| 20  | Yosun Shanghai Corp. Ltd.    | WPG China (SZ) Inc.                                   | Other receivables      | Y                  | 148,478                                                             | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 380,366                                  | 380,366                        | Note 5   |
| 21  | WPG Investment Co., Ltd.     | WPG Electronics Limited                               | Other receivables      | Y                  | 80,000                                                              | 80,000                       | 80,000                   | 2.14          | 2                        | -                                        | Operations                      | -                               | None       | -     | 793,825                                  | 793,825                        | Note 2   |
| 22  | WPG C&C Shanghai Co., Ltd.   | Trigolduo (Shanghai) Industrial Development Ltd.      | Other receivables      | Y                  | 39,497                                                              | 37,468                       | 37,468                   | 4.10          | 2                        | -                                        | Operations                      | -                               | None       | -     | 247,821                                  | 619,552                        | Note 5   |
| 22  | WPG C&C Shanghai Co., Ltd.   | Trigold Tongle (Shanghai) Industrial Development Ltd. | Other receivables      | Y                  | 20,419                                                              | 18,073                       | 18,073                   | 4.10          | 2                        | -                                        | Operations                      | -                               | None       | -     | 619,552                                  | 619,552                        | Note 5   |

Table 1, Page 3

| No. | Creditor                              | Borrower                                        | General ledger account | Is a related party | Maximum outstanding balance during the year ended December 31, 2022 | Balance at December 31, 2022 | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |      | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|---------------------------------------|-------------------------------------------------|------------------------|--------------------|---------------------------------------------------------------------|------------------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|------|------------------------------------------|--------------------------------|----------|
| 22  | WPG C&C Shanghai Co., Ltd.            | LaaS (Dongguan) Supply Chain Management Limited | Other receivables      | Y                  | \$ 306,408                                                          | \$ 299,744                   | \$ 299,744               | 4.10          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ - | \$ 619,552                               | \$ 619,552                     | Note 5   |
| 22  | WPG C&C Shanghai Co., Ltd.            | WPG China Inc.                                  | Other receivables      | Y                  | 90,120                                                              | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -    | 619,552                                  | 619,552                        | Note 5   |
| 22  | WPG C&C Shanghai Co., Ltd.            | Yosun Shanghai Corp. Ltd.                       | Other receivables      | Y                  | 88,160                                                              | 88,160                       | 88,160                   | 4.10          | 2                        | -                                        | Operations                      | -                               | None       | -    | 619,552                                  | 619,552                        | Note 5   |
| 23  | WPI International (Hong Kong) Limited | WPG Electronics (Hong Kong) Limited             | Other receivables      | Y                  | 5,681,350                                                           | 5,681,350                    | 4,913,600                | 2.56~5.61     | 2                        | -                                        | Operations                      | -                               | None       | -    | 27,651,026                               | 27,651,026                     | Note 5   |
| 23  | WPI International (Hong Kong) Limited | AECO Technology Co., Ltd.                       | Other receivables      | Y                  | 11,275                                                              | 10,749                       | 10,749                   | 4.42~5.61     | 2                        | -                                        | Operations                      | -                               | None       | -    | 11,060,410                               | 27,651,026                     | Note 5   |
| 23  | WPI International (Hong Kong) Limited | WPG Americas Inc.                               | Other receivables      | Y                  | 1,288,600                                                           | 1,228,400                    | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -    | 27,651,026                               | 27,651,026                     | Note 5   |
| 23  | WPI International (Hong Kong) Limited | WPG China Inc.                                  | Other receivables      | Y                  | 1,336,500                                                           | 661,200                      | 661,200                  | 4.73          | 2                        | -                                        | Operations                      | -                               | None       | -    | 27,651,026                               | 27,651,026                     | Note 5   |
| 23  | WPI International (Hong Kong) Limited | World Peace Industrial Co., Ltd.                | Other receivables      | Y                  | 1,228,400                                                           | 1,228,400                    | 1,228,400                | 5.61          | 2                        | -                                        | Operations                      | -                               | None       | -    | 11,060,410                               | 27,651,026                     | Note 5   |
| 24  | World Peace Industrial Co., Ltd.      | Longview Technology Inc.                        | Other receivables      | Y                  | 212,720                                                             | 123,710                      | 89,843                   | 2.80~6.05     | 2                        | -                                        | Operations                      | -                               | None       | -    | 9,577,200                                | 12,769,599                     | Note 6   |
| 24  | World Peace Industrial Co., Ltd.      | WPI International (Hong Kong) Limited           | Other receivables      | Y                  | 3,756,375                                                           | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -    | 9,577,200                                | 12,769,599                     | Note 6   |
| 24  | World Peace Industrial Co., Ltd.      | WPG Electronics (Hong Kong) Limited             | Other receivables      | Y                  | 966,450                                                             | 921,300                      | 921,300                  | 2.30~6.05     | 2                        | -                                        | Operations                      | -                               | None       | -    | 9,577,200                                | 12,769,599                     | Note 6   |
| 25  | Silicon Application Company Limited   | WPG Electronics (Hong Kong) Limited             | Other receivables      | Y                  | 1,063,095                                                           | 1,013,430                    | 1,013,430                | 1.75~4.98     | 2                        | -                                        | Operations                      | -                               | None       | -    | 1,817,583                                | 1,817,583                      | Note 5   |
| 25  | Silicon Application Company Limited   | Silicon Application Corp.                       | Other receivables      | Y                  | 710,470                                                             | 706,330                      | 706,330                  | 5.23          | 2                        | -                                        | Operations                      | -                               | None       | -    | 727,033                                  | 1,817,583                      | Note 5   |

Table 1, Page 4



| No. | Creditor                                        | Borrower                                        | General ledger account | Is a related party | Maximum outstanding balance during the year ended December 31, 2022 | Balance at December 31, 2022 | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |       | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-------------------------------------------------|-------------------------------------------------|------------------------|--------------------|---------------------------------------------------------------------|------------------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|-------|------------------------------------------|--------------------------------|----------|
|     |                                                 |                                                 |                        |                    |                                                                     |                              |                          |               |                          |                                          |                                 |                                 | Item       | Value |                                          |                                |          |
| 26  | Sertek Limited                                  | Richpower Electronic Devices Co., Limited       | Other receivables      | Y                  | \$ 79,375                                                           | \$ -                         | \$ -                     | -             | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ -  | \$ 82,689                                | \$ 82,689                      | Note 5   |
| 26  | Sertek Limited                                  | Yosun Hong Kong Corp. Ltd.                      | Other receivables      | Y                  | 80,538                                                              | 76,775                       | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 82,689                                   | 82,689                         | Note 5   |
| 27  | Sertek Incorporated                             | Richpower Electronic Devices Co., Ltd.          | Other receivables      | Y                  | 608,700                                                             | 552,780                      | 552,780                  | 1.55~4.8      | 2                        | -                                        | Operations                      | -                               | None       | -     | 668,655                                  | 668,655                        | Note 2   |
| 27  | Sertek Incorporated                             | Yosun Hong Kong Corp. Ltd.                      | Other receivables      | Y                  | 278,250                                                             | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 668,655                                  | 668,655                        | Note 2   |
| 28  | Apache Communication Inc.                       | Henshen Electric Trading Co., Ltd.              | Other receivables      | Y                  | 408,010                                                             | 406,390                      | 406,390                  | 1.89~4.26     | 2                        | -                                        | Operations                      | -                               | None       | -     | 639,033                                  | 1,022,452                      | Note 7   |
| 28  | Apache Communication Inc.                       | Frontek Technology Corporation                  | Other receivables      | Y                  | 483,225                                                             | 460,650                      | 460,650                  | 3.76          | 2                        | -                                        | Operations                      | -                               | None       | -     | 639,033                                  | 1,022,452                      | Note 7   |
| 29  | Genuine C&C Inc.                                | Hoban Inc.                                      | Other receivables      | Y                  | 10,000                                                              | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 460,076                                  | 460,076                        | Note 9   |
| 30  | Pernas Electronics Co., Ltd.                    | Silicon Application Corp.                       | Other receivables      | Y                  | 400,000                                                             | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 576,480                                  | 576,480                        | Note 2   |
| 30  | Pernas Electronics Co., Ltd.                    | Everwiner Enterprise Co., Ltd.                  | Other receivables      | Y                  | 200,000                                                             | 200,000                      | 200,000                  | 1.40~1.90     | 2                        | -                                        | Operations                      | -                               | None       | -     | 576,480                                  | 576,480                        | Note 2   |
| 31  | Long-Think International (Hong Kong) Limited    | WPI International (Hong Kong) Limited           | Other receivables      | Y                  | 483,225                                                             | 460,650                      | 460,650                  | 1.75~4.45     | 2                        | -                                        | Operations                      | -                               | None       | -     | 576,367                                  | 576,367                        | Note 5   |
| 32  | Long-Think International Co., Ltd.              | World Peace Industrial Co., Ltd.                | Other receivables      | Y                  | 16,000                                                              | -                            | -                        | -             | 2                        | -                                        | Operations                      | -                               | None       | -     | 17,413                                   | 17,413                         | Note 2   |
| 33  | Peng Yu (Shanghai) Digital Technology Co., Ltd. | WPG C&C Shanghai Co., Ltd.                      | Other receivables      | Y                  | 69,843                                                              | 68,324                       | 68,324                   | 3.90~3.95     | 2                        | -                                        | Operations                      | -                               | None       | -     | 429,839                                  | 429,839                        | Note 5   |
| 33  | Peng Yu (Shanghai) Digital Technology Co., Ltd. | LaaS (Dongguan) Supply Chain Management Limited | Other receivables      | Y                  | 90,120                                                              | 88,160                       | 88,160                   | 4.10          | 2                        | -                                        | Operations                      | -                               | None       | -     | 429,839                                  | 429,839                        | Note 5   |
| 34  | Peng Yu International Limited                   | Peng Yu Trigold Limited                         | Other receivables      | Y                  | 193,290                                                             | 184,260                      | 184,260                  | 2.21          | 2                        | -                                        | Operations                      | -                               | None       | -     | 267,874                                  | 267,874                        | Note 5   |

Table 1, Page 5

| No. | Creditor                            | Borrower                | General ledger account | Is a related party | Maximum outstanding balance during the year ended December 31, 2022 | Balance at December 31, 2022 | Actual amount drawn down | Interest rate | Nature of loan (Note 10) | Amount of transactions with the borrower | Reason for short-term financing | Allowance for doubtful accounts | Collateral |      | Limit on loans granted to a single party | Ceiling on total loans granted | Footnote |
|-----|-------------------------------------|-------------------------|------------------------|--------------------|---------------------------------------------------------------------|------------------------------|--------------------------|---------------|--------------------------|------------------------------------------|---------------------------------|---------------------------------|------------|------|------------------------------------------|--------------------------------|----------|
|     |                                     |                         |                        |                    |                                                                     |                              |                          |               |                          |                                          | Item                            | Value                           |            |      |                                          |                                |          |
| 35  | Trigold (Hong Kong) Company Limited | Peng Yu Trigold Limited | Other receivables      | Y                  | \$ 77,316                                                           | \$ 73,704                    | \$ 73,704                | 2.00          | 2                        | \$ -                                     | Operations                      | \$ -                            | None       | \$ - | \$ 1,127,998                             | \$ 1,127,998                   | Note 5   |
| 36  | Trigold Holdings Limited            | Peng Yu Trigold Limited | Other receivables      | Y                  | 308,900                                                             | 153,550                      | 153,550                  | 5.00~6.25     | 2                        | -                                        | Operations                      | -                               | None       | -    | 837,578                                  | 837,578                        | Note 2   |

Note 1: Ceiling on total loans to others should not exceed the creditor's net assets. For short-term financing, ceiling on loans to a single party should not exceed the creditor's net assets.

Note 2: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

Note 3: (1) For those borrowers which are not 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.

(2) For those borrowers which are 100% held investee company, the individual limit amount and the accumulated financing activities to those borrowers should not be in excess of 200% of the creditor's net assets.

(3) The total limit of (1) and (2) should not exceed 200% of the creditor's net assets.

Note 4: Accumulated financing activities to any company or person should not be in excess of 200% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets.

For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 5: Accumulated financing activities to any company or person should not be in excess of 100% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to an overseas company or ultimate parent company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 100% of creditor's net assets. For borrower not fulfilling said criteria, the limit should not exceed 40% of the creditor's net assets.

Note 6: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to a single company should not be in excess of 30% of creditor's assets.

Note 7: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, the individual limit should not exceed the amount of business transactions; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, the financing activities to a single company should not be in excess of 25% of creditor's net assets.

Note 8: (1) The financing activities to an overseas company which is 100% directly or indirectly held by ultimate parent company should not be in excess of 200% of creditor's net assets. Ceilings on accumulated short-term financing should not exceed 200% of the creditor's net assets.

(2) The individual limit amount should not exceed 40% of the creditor's net assets and the accumulated financing activities to those borrowers should not be in excess of 40% of the creditor's net assets.

Note 9: Accumulated financing activities to any company or person should not be in excess of 40% of creditor's net assets. Limit on loans to a single company is as follows:

(1) For business transaction to the creditor, ceiling on the individual loans from others should not exceed 40% of the creditor's net assets, and the individual limit should not exceed the amount of business transactions within one year; the amount of business transactions means the higher between sales and purchases.

(2) For short-term financing, financing activities to a single company should not be in excess of 40% of creditor's net assets.

(3) Ceiling on total loans granted between foreign companies whose voting shares are 100% held by the Company directly or indirectly, or on loans granted to the Company by such foreign companies was excluded in the aforementioned limits.

Note 10: The column of 'Nature of loan' shall fill in 1. 'Business transaction or 2. 'Short-term financing'.

WPG Holdings Limited and Subsidiaries  
Provision of endorsements and guarantees to others  
Year ended December 31, 2022

Table 2

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Number | Endorser/<br>guarantor                          | Party being endorsed/guaranteed                          |  | Relationship<br>with the<br>endorser/<br>guarantor<br>(Note 1) | Limit on<br>endorsements/<br>guarantees<br>provided for a<br>single party | Maximum<br>outstanding<br>endorsement/<br>guarantee amount as<br>of December 31,<br>2022 | Outstanding<br>endorsement/<br>guarantee<br>amount as of<br>December 31,<br>2022 | Actual amount<br>drawn down | Amount of<br>endorsements/<br>guarantees<br>secured with<br>collateral | Ratio of accumulated<br>endorsement/<br>guarantee amount to<br>net asset value of the<br>endorser/ guarantor<br>company | Ceiling on total<br>amount of<br>endorsements/<br>guarantees<br>provided | Provision of<br>endorsements/<br>guarantees by<br>parent company<br>to subsidiary | Provision of<br>endorsements/<br>guarantees by<br>subsidiary to<br>parent<br>company | Provision of<br>endorsements/<br>guarantees to the<br>party in<br>Mainland China | Footnote      |
|--------|-------------------------------------------------|----------------------------------------------------------|--|----------------------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|---------------|
|        |                                                 | Company name                                             |  |                                                                |                                                                           |                                                                                          |                                                                                  |                             |                                                                        |                                                                                                                         |                                                                          |                                                                                   |                                                                                      |                                                                                  |               |
| 0      | WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                         |  | 2                                                              | \$ 40,528,125                                                             | \$ 181,477                                                                               | \$ 90,770                                                                        | \$ -                        | \$ 85,043                                                              | 0.11                                                                                                                    | \$ 40,528,125                                                            | Y                                                                                 | N                                                                                    | N                                                                                | Notes 2 and 3 |
| 1      | World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited |  | 2                                                              | 7,941,478                                                                 | 80,538                                                                                   | 76,775                                                                           | -                           | -                                                                      | 1.93                                                                                                                    | 7,941,478                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 5        |
| 2      | World Peace International Pte Ltd.              | WPG Americas Inc.                                        |  | 4                                                              | -                                                                         | -                                                                                        | -                                                                                | -                           | -                                                                      | -                                                                                                                       | -                                                                        | N                                                                                 | N                                                                                    | N                                                                                | Note 5        |
| 3      | WPI International (South Asia) Pte Ltd.         | WPG Americas Inc.                                        |  | 4                                                              | 8,685,331                                                                 | 177,183                                                                                  | 168,905                                                                          | 117,406                     | -                                                                      | 3.89                                                                                                                    | 8,685,531                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 5        |
| 4      | WPG China Inc.                                  | LaaS (Dongguan) Supply Chain Management Limited          |  | 4                                                              | 5,409,057                                                                 | 54,156                                                                                   | 26,889                                                                           | -                           | -                                                                      | 0.75                                                                                                                    | 7,212,076                                                                | N                                                                                 | N                                                                                    | Y                                                                                | Note 10       |
| 5      | Yosun Industrial Corp.                          | Yosun Singapore Pte Ltd.                                 |  | 4                                                              | 10,192,052                                                                | 1,240,278                                                                                | 1,182,335                                                                        | 600,942                     | -                                                                      | 11.60                                                                                                                   | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Yosun Hong Kong Corp. Ltd.                               |  | 2                                                              | 10,192,052                                                                | 982,720                                                                                  | 982,720                                                                          | 130,661                     | -                                                                      | 9.64                                                                                                                    | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Richpower Electronic Devices Co., Ltd                    |  | 2                                                              | 10,192,052                                                                | 869,805                                                                                  | 829,170                                                                          | 906                         | -                                                                      | 8.14                                                                                                                    | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Yosun Shanghai Corp. Ltd.                                |  | 2                                                              | 10,192,052                                                                | 805,375                                                                                  | 767,750                                                                          | 2,401                       | -                                                                      | 7.53                                                                                                                    | 20,384,105                                                               | N                                                                                 | N                                                                                    | Y                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Sertek Incorporated                                      |  | 2                                                              | 10,192,052                                                                | 2,577,200                                                                                | 2,456,800                                                                        | 835,040                     | -                                                                      | 24.11                                                                                                                   | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 5      | Yosun Industrial Corp.                          | Richpower Electronic Devices Co., Limited                |  | 2                                                              | 10,192,052                                                                | 1,107,100                                                                                | 1,107,100                                                                        | 93,511                      | -                                                                      | 10.86                                                                                                                   | 20,384,105                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 9        |
| 6      | World Peace Industrial Co., Ltd.                | WPI International (Hong Kong) Limited                    |  | 2                                                              | 15,961,999                                                                | 3,602,976                                                                                | 2,898,853                                                                        | 921,668                     | -                                                                      | 9.08                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 4        |
| 6      | World Peace Industrial Co., Ltd.                | Vitec WPG Limited                                        |  | 6                                                              | 15,961,999                                                                | 72,483                                                                                   | 69,097                                                                           | -                           | -                                                                      | 0.22                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 4        |

| Number | Endorser/<br>guarantor            | Party being endorsed/guaranteed                |                                                                |                                                                           | Maximum<br>outstanding<br>endorsement/<br>guarantee amount as<br>of December 31,<br>2022 | Outstanding<br>endorsement/<br>guarantee<br>amount as of<br>December 31,<br>2022 | Actual amount<br>drawn down | Amount of<br>endorsements/<br>guarantees<br>secured with<br>collateral | Ratio of accumulated<br>endorsement/<br>guarantee amount to<br>net asset value of the<br>endorser/ guarantor<br>company | Ceiling on total<br>amount of<br>endorsements/<br>guarantees<br>provided | Provision of<br>endorsements/<br>guarantees by<br>parent company<br>to subsidiary | Provision of<br>endorsements/<br>guarantees by<br>subsidiary to<br>parent<br>company | Provision of<br>endorsements/<br>guarantees to the<br>party in<br>Mainland China | Footnote |
|--------|-----------------------------------|------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------|
|        |                                   | Company name                                   | Relationship<br>with the<br>endorser/<br>guarantor<br>(Note 1) | Limit on<br>endorsements/<br>guarantees<br>provided for a<br>single party |                                                                                          |                                                                                  |                             |                                                                        |                                                                                                                         |                                                                          |                                                                                   |                                                                                      |                                                                                  |          |
| 6      | World Peace Industrial Co., Ltd.  | World Peace International (South Asia) Pte Ltd | 2                                                              | \$ 15,961,999                                                             | \$ 1,060,005                                                                             | \$ 870,975                                                                       | \$ 325,984                  | \$ -                                                                   | 2.73                                                                                                                    | \$ 25,539,199                                                            | N                                                                                 | N                                                                                    | N                                                                                | Note 4   |
| 6      | World Peace Industrial Co., Ltd.  | WPG Electronics (Hong Kong) Limited            | 4                                                              | 15,961,999                                                                | 805,375                                                                                  | 767,750                                                                          | 767,750                     | -                                                                      | 2.40                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 4   |
| 6      | World Peace Industrial Co., Ltd.  | WPG Korea Co., Ltd.                            | 4                                                              | 15,961,999                                                                | 60,000                                                                                   | 60,000                                                                           | -                           | -                                                                      | 0.19                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | N                                                                                | Note 4   |
| 6      | World Peace Industrial Co., Ltd.  | WPG China (SZ) Inc.                            | 4                                                              | 15,961,999                                                                | 32,215                                                                                   | 30,710                                                                           | 30,710                      | -                                                                      | 0.10                                                                                                                    | 25,539,199                                                               | N                                                                                 | N                                                                                    | Y                                                                                | Note 4   |
| 7      | Apache Communication Inc.         | Asian Information Technology Inc.              | 3                                                              | 1,022,452                                                                 | 361,075                                                                                  | 353,550                                                                          | 230,031                     | -                                                                      | 13.83                                                                                                                   | 1,278,065                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 8   |
| 8      | Frontek Technology Corporation    | Asian Information Technology Inc.              | 3                                                              | 1,162,063                                                                 | 553,550                                                                                  | 553,550                                                                          | 153,550                     | -                                                                      | 19.05                                                                                                                   | 1,452,579                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 8   |
| 9      | Pernas Electronics Co., Ltd.      | Silicon Application Corp.                      | 3                                                              | 720,600                                                                   | 200,000                                                                                  | 200,000                                                                          | 100,000                     | -                                                                      | 13.88                                                                                                                   | 720,600                                                                  | N                                                                                 | N                                                                                    | N                                                                                | Note 6   |
| 10     | Asian Information Technology Inc. | Apache Communication Inc.                      | 2                                                              | 3,136,628                                                                 | 483,225                                                                                  | 460,650                                                                          | 325,664                     | -                                                                      | 5.87                                                                                                                    | 3,920,786                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 7   |
| 10     | Asian Information Technology Inc. | Frontek Technology Corporation                 | 2                                                              | 3,136,628                                                                 | 924,298                                                                                  | 883,175                                                                          | 165,144                     | -                                                                      | 11.26                                                                                                                   | 3,920,786                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 7   |
| 10     | Asian Information Technology Inc. | AIT Japan Inc.                                 | 2                                                              | 3,136,628                                                                 | 41,880                                                                                   | 39,923                                                                           | 6,537                       | -                                                                      | 0.51                                                                                                                    | 3,920,786                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 7   |
| 10     | Asian Information Technology Inc. | Henshen Electric Trading Co., Ltd.             | 2                                                              | 3,136,628                                                                 | 400,000                                                                                  | 400,000                                                                          | 27,192                      | -                                                                      | 5.10                                                                                                                    | 3,920,786                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 7   |
| 11     | Trigold Holdings Limited          | Peng Yu Trigold Limited                        | 2                                                              | 1,046,973                                                                 | 491,360                                                                                  | 491,360                                                                          | 122,840                     | -                                                                      | 23.47                                                                                                                   | 1,046,973                                                                | N                                                                                 | N                                                                                    | N                                                                                | Note 11  |
| 11     | Trigold Holdings Limited          | WPG C&C Shanghai Co., Ltd.                     | 2                                                              | 1,046,973                                                                 | 44,080                                                                                   | 44,080                                                                           | -                           | -                                                                      | 2.11                                                                                                                    | 1,046,973                                                                | N                                                                                 | N                                                                                    | Y                                                                                | Note 11  |

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories:

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

- Note 2: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 50% of the Company's stockholder's equity. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The limit on the Company and its subsidiaries' total loan to other companies is less than 60% of the Company's net assets; limited to a single company should not exceed 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets, which is based on the latest audited or reviewed financial statements.
- Note 3: There are 8,999 thousand shares of WPG Investment Co., Ltd. which have been pledged for purchases for World Peace Industrial Co., Ltd. The book value of those pledged investments is \$85,043.
- Note 4: The cumulative guarantee amount to others should not be in excess of 80% of guarantor's net assets. The guarantee amount to a single company should not be in excess of 50% of guarantor's net assets. For business transaction with the guarantor, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The net asset value is based on the latest audited or reviewed financial statements. For the guarantees provided by World Peace Industrial Co., Ltd. to WPI International (Hong Kong) Limited, the outstanding endorsement/guarantee amount at the end of the period was calculated by adding the old and new guarantee amounts due to the early approval by the chairman.
- Note 5: The cumulative guarantee amount to others should not be in excess of 200% of the Company's net assets. The guarantee amount to a single company should not be in excess of 200% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets.
- Note 6: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets; the limit to a single company should not exceed 50% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. Ceiling on total endorsements/guarantees granted by the Company, the Company's ultimate parent company and subsidiaries to a single party is 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 7: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. Ceiling on total endorsements/guarantees granted by the Company and subsidiaries shall be less than 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a single company should not be in excess of 50% of the Company's net assets. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 8: The guarantee amount should not exceed 50% of guarantor's net assets; the limit to a single company should not exceed 40% of the Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. Net assets is based on the latest audited or reviewed financial statements. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 9: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 100% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 10: The cumulative guarantee amount to others should not be in excess of 200% (excluding) of the Company's net assets. The guarantee amount to a single company should not be in excess of 150% of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company's ultimate parent company should not exceed 10% of the net assets of the Company's ultimate parent company. The net assets referred to above are based on the latest audited or reviewed financial statements.
- Note 11: The cumulative guarantee amount to others should not be in excess of 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of Company's net assets. For business transaction with the Company, the guarantee amount should not exceed the amount of business transaction, which is the higher between sales and purchases. The Company's and its subsidiaries' cumulative guarantee amount to others should not be in excess 50% (not including 50%) of the Company's net assets. The guarantee amount to a single company should not be in excess of 50% (not including 50%) of the Company's net assets. The Company's and its subsidiaries' guarantee amount to a subsidiary which is 90%~100% directly or indirectly held by the Company should not exceed 10% of the Company's net assets. The guarantee amount to a subsidiary which is 100% directly or indirectly held by the Company should not exceed 50% (not including 50%) of the Company's net assets. The net assets value is based on the latest audit or reviewed financial statements.

WPG Holdings Limited and Subsidiaries  
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)  
Year ended December 31, 2022

Table 3

Expressed in thousands of NTD  
(Except as otherwise indicated)

|                                        |                                                               |                                                              |                                                                                 | As of December 31, 2022            |            |               |                     |          |
|----------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------|------------|---------------|---------------------|----------|
| Securities held by                     | Marketable securities                                         | Relationship with the securities issuer                      | General ledger account                                                          | Number of shares<br>(in thousands) | Book value | Ownership (%) | Fair value (Note 1) | Footnote |
| WPG Holdings Limited                   | Restar Holdings Corporation                                   | None                                                         | Financial assets at fair value through profit or loss - non-current             | 230                                | \$ 110,004 | 0.76          | \$ 110,004          | Note 2   |
| WPG Holdings Limited                   | Tyche Partners L.P. - Funds                                   | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 373,916    | -             | 373,916             |          |
| WPG Holdings Limited                   | CDIB CME Fund Ltd., ... etc. - Equity securities              | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 72,071     | -             | 72,071              |          |
| WPG Holdings Limited                   | T3EX Global Holdings Corp. ... etc. - Equity securities       | None                                                         | Financial assets at fair value through other comprehensive income - non-current | -                                  | 1,552,007  | -             | 1,552,007           |          |
| WPG Holdings Limited                   | WT Microelectronics Co., Ltd.-Preference shares               | The Group's investment accounted for using the equity method | Financial assets at fair value through other comprehensive income - non-current | 24,284                             | 1,159,555  | 17.99         | 1,159,555           | Note 3   |
| Silicon Application Corp.              | Kingmax Technology Inc., ... etc. - Equity securities         | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 11,539     | -             | 11,539              |          |
| World Peace Industrial Co., Ltd.       | Silicon Line GmbH, Munich...etc. - Equity securities          | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 24,068     | -             | 24,068              |          |
| World Peace Industrial Co., Ltd.       | Vesper Technologies Inc.                                      | None                                                         | Financial assets at fair value through other comprehensive income - non-current | -                                  | 31,050     | -             | 31,050              |          |
| AECO Technology Co., Ltd.              | Hua-Jie (Taiwan) Corp. - Equity securities                    | None                                                         | Financial assets at fair value through profit or loss - non-current             | 668                                | 6,684      | 3.32          | 6,684               |          |
| Yosun Industrial Corp.                 | Fortend Taiwan Scientific Corp., ... etc. - Equity securities | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 11,378     | -             | 11,378              |          |
| Yosun Industrial Corp.                 | Golf club memberships of Ta Shee Resort Co., Ltd.             | None                                                         | Financial assets at fair value through profit or loss - non-current             | -                                  | 17,100     | -             | 17,100              |          |
| Genuine C&C Inc.                       | Systemweb Technology - Equity securities                      | None                                                         | Financial assets at fair value through profit or loss - non-current             | 700                                | 16,738     | 7.00          | 16,738              |          |
| Richpower Electronic Devices Co., Ltd. | Chipmast Technology Co., Ltd. - Equity securities             | None                                                         | Financial assets at fair value through profit or loss - non-current             | 72                                 | 546        | 1.48          | 546                 |          |
| WPG Investment Co., Ltd.               | Dimerco Express Corporation - Equity securities               | None                                                         | Financial assets at fair value through profit or loss - current                 | 18                                 | 1,223      | 0.01          | 1,223               |          |

| Securities held by                | Marketable securities                                                             | Relationship with the securities issuer | General ledger account                                                          | As of December 31, 2022            |            |               |                     | Footnote |
|-----------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------|---------------------------------------------------------------------------------|------------------------------------|------------|---------------|---------------------|----------|
|                                   |                                                                                   |                                         |                                                                                 | Number of shares<br>(in thousands) | Book value | Ownership (%) | Fair value (Note 1) |          |
| WPG Investment Co., Ltd.          | CDIB CME Fund Ltd., ... etc. - Equity securities                                  | None                                    | Financial assets at fair value through profit or loss - non-current             | -                                  | \$ 14,979  | -             | \$ 14,979           |          |
| WPG Investment Co., Ltd.          | Nichidenbo Corporation ... etc. - Equity securities                               | None                                    | Financial assets at fair value through other comprehensive income - non-current | -                                  | 598,471    | -             | 598,471             |          |
| Asian Information Technology Inc. | Golf club memberships of Ta Shee Resort Co., Ltd.                                 | None                                    | Financial assets at fair value through profit or loss – non-current             | -                                  | 17,100     | -             | 17,100              |          |
| Win-Win Systems Ltd.              | Silicon Electronics Company(s) Pte. Ltd. - Equity securities                      | None                                    | Financial assets at fair value through profit or loss - non-current             | 180                                | -          | -             | -                   |          |
| WPG South Asia Pte. Ltd.          | ViMOS Technologies GmbH - Equity securities                                       | None                                    | Financial assets at fair value through profit or loss - non-current             | 20                                 | 664        | 9.00          | 664                 |          |
| WPG China Inc.                    | CECI Technology Co. Ltd. ... etc. - Equity securities                             | None                                    | Financial assets at fair value through profit or loss - non-current             | -                                  | 954,414    | -             | 954,414             |          |
| WPG China Inc.                    | Yiwu Weihao Chuangxin Phase I Equity Investment Partnership (Limited Partnership) | None                                    | Financial assets at fair value through profit or loss - non-current             | -                                  | 93,416     | -             | 93,416              |          |

Note 1: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortized cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 2: The original investee company, Vitec Holdings Co., Ltd., was delisted on March 27, 2019. Vitec Holdings Co., Ltd merged with UKC Holdings whereby a new company, Restar Holdings Corporation, was established. The effective date for this merger was April 1, 2019, and the name of the held marketable securities was changed.

Note 3: On September 18, 2020, the Board of Directors of the Group resolved to subscribe WT's series A preference shares in the amount of 24,283,867 shares with a par value of NT\$50 per share, with total consideration of \$1,214,193, based on the shareholding ratio at the effective date of the capital increase in accordance with the application for shares. As of October 15, 2020 (effective date of the capital increase), the Group's shareholding ratio in WT is 17.99% of total outstanding preference shares after subscribing WT's series A preference shares.

WPG Holdings Limited and Subsidiaries  
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital  
Year ended December 31, 2022

Table 4

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investor                       | Marketable securities               | General ledger account | Counterparty                          | Relationship with the counterparty | Balance as at January 1, 2022   |        | Addition                        |            | Disposal                        |               |            |                         | Balance as at December 31, 2022 |            |
|--------------------------------|-------------------------------------|------------------------|---------------------------------------|------------------------------------|---------------------------------|--------|---------------------------------|------------|---------------------------------|---------------|------------|-------------------------|---------------------------------|------------|
|                                |                                     |                        |                                       |                                    | No. of shares<br>(in thousands) | Amount | No. of shares<br>(in thousands) | Amount     | No. of shares<br>(in thousands) | Selling price | Book value | Gain (loss) on disposal | No. of shares<br>(in thousands) | Amount     |
| WPG Holdings Limited           | WPG Electronics (Hong Kong) Limited | Note 1                 | WPG International (CI) Limited        | Same ultimate parent company       | -                               | \$ -   | 234,082                         | \$ 799,765 | -                               | \$ -          | \$ -       | \$ -                    | 234,082                         | \$ 799,765 |
| WPG Holdings Limited           | WPG South Asia Pte. Ltd.            | Note 1                 | WPG International (CI) Limited        | Same ultimate parent company       | -                               | -      | 34,119                          | 1,116,369  | -                               | -             | -          | -                       | 34,119                          | 1,116,369  |
| WPG International (CI) Limited | WPG Electronics (Hong Kong) Limited | Note 1                 | WPG International (Hong Kong) Limited | Same ultimate parent company       | -                               | -      | 234,082                         | 823,895    | -                               | -             | -          | -                       | 234,082                         | 823,895    |
| WPG South Asia Pte. Ltd.       | Yosun Singapore Pte. Ltd.           | Note 1                 | Suntop Investments Limited            | Same ultimate parent company       | -                               | -      | 20,600                          | 416,863    | -                               | -             | -          | -                       | 20,600                          | 416,863    |
| WPG Holdings Limited           | EDOM Technology Co., Ltd.           | Note 2                 | EDOM Technology Co., Ltd.             | None                               | -                               | -      | 25,000                          | 862,504    | -                               | -             | -          | -                       | 25,000                          | 862,504    |

Note 1: It is recorded as investments accounted for under equity method.

Note 2: It is recorded as financial assets at fair value through other comprehensive income - non-current.



WPG Holdings Limited and Subsidiaries  
Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more  
Year ended December 31, 2022

Table 5

Expressed in thousands of NTD  
(Except as otherwise indicated)

|                                                    |                                                    |                                                                         |                      |                 |                                             |             | Differences in transaction terms<br>compared to third party<br>transactions |             |                                     |                                                               |          |
|----------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------|----------------------|-----------------|---------------------------------------------|-------------|-----------------------------------------------------------------------------|-------------|-------------------------------------|---------------------------------------------------------------|----------|
| Purchaser/seller                                   | Counterparty                                       | Relationship<br>with the<br>counterparty                                | Transaction          |                 |                                             |             |                                                                             |             | Notes/accounts receivable (payable) |                                                               | Footnote |
|                                                    |                                                    |                                                                         | Purchases<br>(sales) | Amount          | Percentage of<br>total purchases<br>(sales) | Credit term | Unit price                                                                  | Credit term | Balance                             | Percentage of total<br>notes/accounts<br>receivable (payable) |          |
| WPG Holdings Limited                               | World Peace Industrial Co., Ltd.                   | Same ultimate<br>parent company                                         | Sales                | (\$ 945,392) (  | 53.97)                                      | Note 5      | Note 5                                                                      | Note 5      | \$ 115,482                          | 58.14                                                         |          |
| "                                                  | Silicon Application corp.                          | "                                                                       | "                    | ( 231,589) (    | 13.22)                                      | "           | "                                                                           | "           | 24,302                              | 12.23                                                         |          |
| "                                                  | Asian Information Technology Inc.                  | "                                                                       | "                    | ( 232,683) (    | 13.28)                                      | "           | "                                                                           | "           | 15,186                              | 7.65                                                          |          |
| "                                                  | Yosun Industrial Corp.                             | "                                                                       | "                    | ( 311,693) (    | 17.79)                                      | "           | "                                                                           | "           | 39,990                              | 20.13                                                         |          |
| World Peace Industrial Co., Ltd.                   | WPI International (Hong Kong) Limited              | "                                                                       | "                    | ( 12,529,158) ( | 7.82)                                       | Note 3      | Note 3                                                                      | Note 3      | 647,516                             | 3.00                                                          |          |
| "                                                  | WPG Electronics (Hong Kong) Limited                | "                                                                       | "                    | ( 1,581,619) (  | 0.99)                                       | "           | "                                                                           | "           | 696,118                             | 3.23                                                          |          |
| "                                                  | WPG China (SZ) Inc.                                | "                                                                       | "                    | ( 406,436) (    | 0.25)                                       | "           | "                                                                           | "           | 48,192                              | 0.22                                                          |          |
| "                                                  | WPG China Inc.                                     | "                                                                       | "                    | ( 399,209) (    | 0.25)                                       | "           | "                                                                           | "           | 70,905                              | 0.33                                                          |          |
| "                                                  | Genuine C&C Inc.                                   | "                                                                       | "                    | ( 273,993) (    | 0.17)                                       | "           | "                                                                           | "           | 3,195                               | 0.01                                                          |          |
| "                                                  | Yosun Industrial Corp.                             | "                                                                       | "                    | ( 105,092) (    | 0.07)                                       | "           | "                                                                           | "           | 478                                 | -                                                             |          |
| "                                                  | WT Microelectronics Co., Ltd.                      | Investee accounted<br>for using equity<br>method                        | "                    | ( 149,500) (    | 0.09)                                       | "           | "                                                                           | "           | 13,541                              | 0.06                                                          |          |
| "                                                  | World Peace International (South Asia)<br>Pte Ltd. | Same ultimate<br>parent company                                         | "                    | ( 211,829) (    | 0.13)                                       | "           | "                                                                           | "           | 69,355                              | 0.32                                                          |          |
| Genuine C&C (IndoChina) Pte<br>Ltd.                | WPG P.T. Electrindo Jaya                           | An investee which<br>accounted associates<br>using the equity<br>method | "                    | ( 276,454) (    | 93.99)                                      | "           | "                                                                           | "           | 1,098                               | 8.53                                                          |          |
| World Peace International<br>(South Asia) Pte Ltd. | World Peace Industrial Co., Ltd.                   | Same ultimate<br>parent company                                         | "                    | ( 1,026,527) (  | 3.40)                                       | "           | "                                                                           | "           | 151,820                             | 2.82                                                          |          |
| "                                                  | WPI International (Hong Kong) Limited              | "                                                                       | "                    | ( 342,648) (    | 1.13)                                       | "           | "                                                                           | "           | 25,590                              | 0.48                                                          |          |
| "                                                  | WPG SCM Limited                                    | "                                                                       | "                    | ( 4,167,120) (  | 13.80)                                      | "           | "                                                                           | "           | 824,259                             | 15.31                                                         |          |
| "                                                  | WPG P.T. Electrindo Jaya                           | An investee which<br>accounted associates<br>using the equity<br>method | "                    | ( 487,431) (    | 1.61)                                       | "           | "                                                                           | "           | 4,006                               | 0.07                                                          |          |

| Differences in transaction terms compared to third party transactions |                                                         |                                            |                   |                |                                       |                                |              |             |                                     |                                                         |          |
|-----------------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------|-------------------|----------------|---------------------------------------|--------------------------------|--------------|-------------|-------------------------------------|---------------------------------------------------------|----------|
| Purchaser/seller                                                      | Counterparty                                            | Relationship with the counterparty         | Transaction       |                |                                       |                                | transactions |             | Notes/accounts receivable (payable) |                                                         | Footnote |
|                                                                       |                                                         |                                            | Purchases (sales) | Amount         | Percentage of total purchases (sales) | Credit term                    | Unit price   | Credit term | Balance                             | Percentage of total notes/accounts receivable (payable) |          |
| World Peace International (South Asia) Pte Ltd.                       | World Peace International (India) Pvt., Ltd.            | Same ultimate parent company               | Sales             | (\$ 114,941) ( | 0.38)                                 | Note 3                         | Note 3       | Note 3      | \$ 8,489                            | 0.16                                                    |          |
| "                                                                     | WPG C&C Comuters and Peripheral (India) Private Limited | "                                          | "                 | ( 1,861,222) ( | 6.16)                                 | "                              | "            | "           | 307,346                             | 5.71                                                    |          |
| "                                                                     | WPG C&C (Malaysia) Sdn. Bhd                             | "                                          | "                 | ( 752,981) (   | 2.49)                                 | "                              | "            | "           | -                                   | -                                                       |          |
| "                                                                     | WPG C&C (Thailand) Co., Ltd.                            | "                                          | "                 | ( 420,280) (   | 1.39)                                 | "                              | "            | "           | 10,002                              | 0.19                                                    |          |
| "                                                                     | WPG Americas Inc.                                       | "                                          | "                 | ( 110,663) (   | 0.37)                                 | "                              | "            | "           | 336                                 | 0.01                                                    |          |
| "                                                                     | WPI International (South Asia) Pte. Ltd.                | "                                          | "                 | ( 1,812,266) ( | 6.00)                                 | "                              | "            | "           | 124,577                             | 2.31                                                    |          |
| WPI International (Hong Kong) Limited                                 | World Peace Industrial Co., Ltd.                        | "                                          | "                 | ( 8,303,666) ( | 3.46)                                 | "                              | "            | "           | 581,166                             | 1.70                                                    |          |
| "                                                                     | WPG Electronics (Hong Kong) Limited                     | "                                          | "                 | ( 2,425,292) ( | 1.01)                                 | "                              | "            | "           | 570,436                             | 1.66                                                    |          |
| "                                                                     | WPG China (SZ) Inc.                                     | "                                          | "                 | ( 2,897,089) ( | 1.21)                                 | "                              | "            | "           | 506,780                             | 1.48                                                    |          |
| "                                                                     | WPG China Inc.                                          | "                                          | "                 | ( 2,596,037) ( | 1.08)                                 | "                              | "            | "           | 378,780                             | 1.10                                                    |          |
| "                                                                     | WPG SCM Limited                                         | "                                          | "                 | ( 1,090,096) ( | 0.45)                                 | "                              | "            | "           | 122,003                             | 0.36                                                    |          |
| "                                                                     | WPG Korea Co., Ltd.                                     | "                                          | "                 | ( 267,480) (   | 0.11)                                 | "                              | "            | "           | 4,415                               | 0.01                                                    |          |
| "                                                                     | Vitec WPG Limited                                       | Investee accounted for using equity method | "                 | ( 382,565) (   | 0.16)                                 | "                              | "            | "           | 48,089                              | 0.14                                                    |          |
| "                                                                     | World Peace International (South Asia) Pte Ltd.         | Same ultimate parent company               | "                 | ( 892,043) (   | 0.37)                                 | "                              | "            | "           | 56,946                              | 0.17                                                    |          |
| "                                                                     | WT Microelectronic (Hong Kong) Limited                  | Investee accounted for using equity method | "                 | ( 277,900) (   | 0.12)                                 | "                              | "            | "           | 553                                 | -                                                       |          |
| Silicon Application corp.                                             | Silicon Application Company Limited                     | Same ultimate parent company               | "                 | ( 131,107) (   | 0.16)                                 | 30 days after monthly billings | Note 4       | Note 4      | 54,372                              | 0.32                                                    |          |
| "                                                                     | Pernas Electronics Co., Ltd.                            | "                                          | "                 | ( 543,157) (   | 0.68)                                 | "                              | "            | "           | 66,200                              | 0.39                                                    |          |
| "                                                                     | WPG Electronics (Hong Kong) Limited                     | "                                          | "                 | ( 4,255,712) ( | 5.32)                                 | 90 days after monthly billings | "            | "           | 1,301,875                           | 7.57                                                    |          |
| "                                                                     | WPG China (SZ) Inc.                                     | "                                          | "                 | ( 1,279,609) ( | 1.60)                                 | "                              | "            | "           | 297,980                             | 1.73                                                    |          |
| "                                                                     | WPG China Inc.                                          | "                                          | "                 | ( 388,162) (   | 0.49)                                 | "                              | "            | "           | 79,256                              | 0.46                                                    |          |
| Pernas Electronics Co., Ltd.                                          | Silicon Application Corp.                               | "                                          | "                 | ( 1,515,689) ( | 25.83)                                | 30 days after monthly billings | "            | "           | 140,202                             | 12.15                                                   |          |

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| Differences in transaction terms compared to third party |                                           |                                                          |                   |              |                                       |                                |               |               |                                     |                                                         |          |
|----------------------------------------------------------|-------------------------------------------|----------------------------------------------------------|-------------------|--------------|---------------------------------------|--------------------------------|---------------|---------------|-------------------------------------|---------------------------------------------------------|----------|
| Purchaser/seller                                         | Counterparty                              | Relationship with the counterparty                       | Transaction       |              |                                       |                                | transactions  |               | Notes/accounts receivable (payable) |                                                         | Footnote |
|                                                          |                                           |                                                          | Purchases (sales) | Amount       | Percentage of total purchases (sales) | Credit term                    | Unit price    | Credit term   | Balance                             | Percentage of total notes/accounts receivable (payable) |          |
| Pernas Electronics Co., Ltd.                             | Everwiner Enterprise Co., Ltd.            | Same ultimate parent company                             | Sales             | (\$ 278,969) | ( 4.75)                               | Note 2                         | Note 4        | Note 4        | \$ 16,933                           | 1.47                                                    |          |
| Everwiner Enterprise Co., Ltd.                           | Silicon Application Corp.                 | "                                                        | "                 | ( 682,336)   | ( 11.88)                              | 30 days after monthly billings | "             | "             | 60,843                              | 4.74                                                    |          |
| "                                                        | Pernas Electronics Co., Ltd.              | "                                                        | "                 | ( 1,652,027) | ( 28.77)                              | Note 2                         | "             | "             | 255,979                             | 19.95                                                   |          |
| Asian Information Technology Inc.                        | Frontek Technology Corporation            | "                                                        | "                 | ( 7,355,321) | ( 17.68)                              | "                              | Note 2        | Note 2        | 2,068,509                           | 25.00                                                   |          |
| "                                                        | Apache Communication Inc.                 | "                                                        | "                 | ( 1,639,280) | ( 3.94)                               | "                              | "             | "             | 219,454                             | 2.65                                                    |          |
| "                                                        | WPG Electronics (Hong Kong) Limited       | "                                                        | "                 | ( 330,526)   | ( 0.79)                               | "                              | "             | "             | 180,202                             | 2.18                                                    |          |
| "                                                        | WPG China (SZ) Inc.                       | "                                                        | "                 | ( 143,929)   | ( 0.35)                               | "                              | "             | "             | 24,604                              | 0.30                                                    |          |
| "                                                        | WPG China Inc.                            | "                                                        | "                 | ( 159,890)   | ( 0.38)                               | "                              | "             | "             | 22,658                              | 0.27                                                    |          |
| "                                                        | Silicon Application Corp.                 | "                                                        | "                 | ( 158,821)   | ( 0.38)                               | "                              | "             | "             | 7,572                               | 0.09                                                    |          |
| "                                                        | Maxtek Technology Co., Ltd.               | Subsidiary of investee accounted for using equity method | "                 | ( 179,114)   | ( 0.43)                               | "                              | "             | "             | 35,815                              | 0.43                                                    |          |
| Frontek Technology Corporation                           | Asian Information Technology Inc.         | Same ultimate parent company                             | "                 | ( 4,428,004) | ( 13.92)                              | "                              | "             | "             | 49,263                              | 0.81                                                    |          |
| "                                                        | WPG Electronics (Hong Kong) Limited       | "                                                        | "                 | ( 437,710)   | ( 1.38)                               | "                              | "             | "             | 179,518                             | 2.95                                                    |          |
| "                                                        | WPG China Inc.                            | "                                                        | "                 | ( 148,995)   | ( 0.47)                               | "                              | "             | "             | 18,512                              | 0.30                                                    |          |
| Apache Communication Inc.                                | Asian Information Technology Inc.         | "                                                        | "                 | ( 1,192,488) | ( 3.83)                               | "                              | "             | "             | 206,604                             | 5.57                                                    |          |
| WPG Electronics (Hong Kong) Limited                      | World Peace Industrial Co., Ltd.          | "                                                        | "                 | ( 2,117,296) | ( 7.66)                               | Notes 3 and 5                  | Notes 3 and 5 | Notes 3 and 5 | 1,408,357                           | 26.34                                                   |          |
| "                                                        | WPI International (Hong Kong) Limited     | "                                                        | "                 | ( 7,286,171) | ( 26.36)                              | "                              | "             | "             | 2,558,029                           | 47.84                                                   |          |
| "                                                        | WPG China (SZ) Inc.                       | "                                                        | "                 | ( 364,349)   | ( 1.32)                               | Note 3                         | Note 3        | Note 3        | 42,650                              | 0.80                                                    |          |
| "                                                        | Richpower Electronic Devices Co., Limited | "                                                        | "                 | ( 135,056)   | ( 0.49)                               | Notes 3 and 5                  | Notes 3 and 5 | Notes 3 and 5 | 38,639                              | 0.72                                                    |          |
| "                                                        | Peng Yu International Limited             | "                                                        | "                 | ( 135,069)   | ( 0.49)                               | "                              | "             | "             | 12,680                              | 0.24                                                    |          |
| "                                                        | Peng Yu Trigold Limited                   | "                                                        | "                 | ( 5,525,849) | ( 19.99)                              | "                              | "             | "             | 382,411                             | 7.15                                                    |          |
| WPG China (SZ) Inc.                                      | WPG China Inc.                            | "                                                        | "                 | ( 424,676)   | ( 3.53)                               | Note 6                         | Note 6        | Note 6        | -                                   | -                                                       |          |
| WPG China Inc.                                           | WPG China (SZ) Inc.                       | "                                                        | "                 | ( 1,037,395) | ( 5.87)                               | Note 3                         | Note 4        | Note 4        | 169,942                             | 4.46                                                    |          |

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|                                           |                                                    |                                                  |                      |                |                                             |               | Differences in transaction terms<br>compared to third party transactions |               |                                     |                                                               |          |
|-------------------------------------------|----------------------------------------------------|--------------------------------------------------|----------------------|----------------|---------------------------------------------|---------------|--------------------------------------------------------------------------|---------------|-------------------------------------|---------------------------------------------------------------|----------|
| Purchaser/seller                          | Counterparty                                       | Relationship<br>with the<br>counterparty         | Transaction          |                |                                             |               |                                                                          |               | Notes/accounts receivable (payable) |                                                               | Footnote |
|                                           |                                                    |                                                  | Purchases<br>(sales) | Amount         | Percentage of<br>total purchases<br>(sales) | Credit term   | Unit price                                                               | Credit term   | Balance                             | Percentage of total<br>notes/accounts<br>receivable (payable) |          |
| WPG Americas Inc.                         | World Peace Industrial Co., Ltd.                   | Same ultimate<br>parent company                  | Sales                | (\$ 933,814) ( | 4.58)                                       | Note 3        | Note 3                                                                   | Note 3        | \$ 75,547                           | 2.74                                                          |          |
| "                                         | Yosun Industrial Corp.                             | "                                                | "                    | ( 510,964) (   | 2.51)                                       | "             | "                                                                        | "             | 73,020                              | 2.65                                                          |          |
| WPG South Asia Pte. Ltd.                  | Yosun Singapore Pte Ltd.                           | "                                                | "                    | ( 130,853) (   | 5.36)                                       | Notes 3 and 5 | Notes 3 and 5                                                            | Notes 3 and 5 | -                                   | -                                                             |          |
| "                                         | World Peace International (South Asia)<br>Pte Ltd. | "                                                | "                    | ( 574,836) (   | 23.55)                                      | "             | "                                                                        | "             | -                                   | -                                                             |          |
| Yosun Industrial Corp.                    | WPG China (SZ) Inc.                                | "                                                | "                    | ( 789,258) (   | 2.04)                                       | Note 6        | Note 6                                                                   | Note 6        | 108,236                             | 2.93                                                          |          |
| "                                         | WPG China Inc.                                     | "                                                | "                    | ( 645,483) (   | 1.66)                                       | "             | "                                                                        | "             | 140,650                             | 3.81                                                          |          |
| "                                         | Yosun Hong Kong Corp. Ltd.                         | "                                                | "                    | ( 4,433,574) ( | 11.43)                                      | Note 3        | Note 3                                                                   | Note 3        | 306,467                             | 8.29                                                          |          |
| "                                         | Richpower Electronic Devices Co., Ltd.             | "                                                | "                    | ( 130,028) (   | 0.34)                                       | "             | "                                                                        | "             | 9,574                               | 0.26                                                          |          |
| "                                         | Richpower Electronic Devices Co.,<br>Limited       | "                                                | "                    | ( 111,837) (   | 0.29)                                       | "             | "                                                                        | "             | 64                                  | -                                                             |          |
| Yosun Hong Kong Corp. Ltd.                | WPG China (SZ) Inc.                                | "                                                | "                    | ( 439,661) (   | 0.86)                                       | Note 6        | Note 6                                                                   | Note 6        | 38,830                              | 0.72                                                          |          |
| "                                         | WPG China Inc.                                     | "                                                | "                    | ( 893,381) (   | 1.75)                                       | "             | "                                                                        | "             | 122,200                             | 2.25                                                          |          |
| "                                         | Yosun Industrial Corp.                             | "                                                | "                    | ( 7,428,914) ( | 14.52)                                      | Note 3        | Note 3                                                                   | Note 3        | 70,495                              | 1.30                                                          |          |
| "                                         | Richpower Electronic Devices Co.,<br>Limited       | "                                                | "                    | ( 2,147,120) ( | 4.20)                                       | "             | "                                                                        | "             | 68,604                              | 1.27                                                          |          |
| "                                         | Yosun Shanghai Corp. Ltd.                          | "                                                | "                    | ( 152,083) (   | 0.30)                                       | Note 6        | Note 6                                                                   | Note 6        | 144,646                             | 2.67                                                          |          |
| "                                         | WT Microelectronics Co., Ltd.                      | Investee accounted<br>for using equity<br>method | "                    | ( 213,227) (   | 0.42)                                       | Note 3        | Note 3                                                                   | Note 3        | 72,139                              | 1.33                                                          |          |
| Yosun Singapore Pte Ltd.                  | WPG SCM Limited                                    | Same ultimate<br>parent company                  | "                    | ( 554,918) (   | 6.28)                                       | "             | "                                                                        | "             | 58,472                              | 5.35                                                          |          |
| "                                         | Yosun Hong Kong Corp. Ltd.                         | "                                                | "                    | ( 133,141) (   | 1.51)                                       | "             | "                                                                        | "             | 1,811                               | 0.17                                                          |          |
| Sertek Incorporated                       | Yosun Industrial Corp.                             | "                                                | "                    | ( 793,172) (   | 5.47)                                       | "             | "                                                                        | "             | 80,463                              | 21.26                                                         |          |
| "                                         | Yosun Hong Kong Corp. Ltd.                         | "                                                | "                    | ( 672,319) (   | 4.64)                                       | "             | "                                                                        | "             | 53,356                              | 14.10                                                         |          |
| Richpower Electronic Devices<br>Co., Ltd. | Silicon Application corp.                          | "                                                | "                    | ( 1,459,822) ( | 8.47)                                       | "             | "                                                                        | "             | 48,947                              | 2.05                                                          |          |
| "                                         | WPG Electronics (Hong Kong) Limited                | "                                                | "                    | ( 978,655) (   | 5.68)                                       | "             | "                                                                        | "             | 285,745                             | 11.95                                                         |          |
| "                                         | Yosun Industrial Corp.                             | "                                                | "                    | ( 541,401) (   | 3.14)                                       | "             | "                                                                        | "             | 61,579                              | 2.58                                                          |          |
| "                                         | Sertek Incorporated                                | "                                                | "                    | ( 112,127) (   | 0.65)                                       | "             | "                                                                        | "             | 7,433                               | 0.31                                                          |          |

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|                                                 |                                           |                                          |                      |              |                                             |             | Differences in transaction terms<br>compared to third party |             |                                     |                                                               |          |
|-------------------------------------------------|-------------------------------------------|------------------------------------------|----------------------|--------------|---------------------------------------------|-------------|-------------------------------------------------------------|-------------|-------------------------------------|---------------------------------------------------------------|----------|
| Purchaser/seller                                | Counterparty                              | Relationship<br>with the<br>counterparty | Transaction          |              |                                             |             | transactions                                                |             | Notes/accounts receivable (payable) |                                                               | Footnote |
|                                                 |                                           |                                          | Purchases<br>(sales) | Amount       | Percentage of<br>total purchases<br>(sales) | Credit term | Unit price                                                  | Credit term | Balance                             | Percentage of total<br>notes/accounts<br>receivable (payable) |          |
| Richpower Electronic Devices Co., Limited       | WPG China (SZ) Inc.                       | Same ultimate parent company             | Sales                | (\$ 200,706) | ( 1.04)                                     | Note 6      | Note 6                                                      | Note 6      | \$ 25,517                           | 0.74                                                          |          |
| "                                               | Yosun Industrial Corp.                    | "                                        | "                    | ( 473,513)   | ( 2.46)                                     | Note 3      | Note 3                                                      | Note 3      | 136,746                             | 3.95                                                          |          |
| "                                               | Yosun Hong Kong Corp. Ltd.                | "                                        | "                    | ( 3,856,568) | ( 20.03)                                    | "           | "                                                           | "           | 255,773                             | 7.39                                                          |          |
| "                                               | Richpower Electronic Devices Co., Ltd.    | "                                        | "                    | ( 618,414)   | ( 3.21)                                     | "           | "                                                           | "           | 42,431                              | 1.26                                                          |          |
| "                                               | WPI International (Hong Kong) Limited     | "                                        | "                    | ( 465,563)   | ( 2.42)                                     | "           | "                                                           | "           | 34,568                              | 1.00                                                          |          |
| LaaS (Dongguan) Supply Chain Management Limited | World Peace Industrial Co., Ltd.          | "                                        | "                    | ( 108,286)   | ( 21.95)                                    | "           | "                                                           | "           | 6,789                               | 17.15                                                         |          |
| Peng Yu Trigold Limited                         | WPG C&C Shanghai Co., Ltd.                | "                                        | "                    | ( 2,184,899) | ( 32.26)                                    | Note 2      | Note 2                                                      | Note 2      | 10,510                              | 2.39                                                          |          |
| "                                               | Yosun Industrial Corp.                    | "                                        | "                    | ( 103,638)   | ( 1.53)                                     | "           | "                                                           | "           | -                                   | -                                                             |          |
| "                                               | Yosun Hong Kong Corp. Ltd.                | "                                        | "                    | ( 184,763)   | ( 2.73)                                     | "           | "                                                           | "           | -                                   | -                                                             |          |
| "                                               | Richpower Electronic Devices Co., Limited | "                                        | "                    | ( 209,379)   | ( 3.09)                                     | "           | "                                                           | "           | 21,900                              | 4.97                                                          |          |
| "                                               | WPI International (Hong Kong) Limited     | "                                        | "                    | ( 733,180)   | ( 10.83)                                    | "           | "                                                           | "           | 224,636                             | 51.03                                                         |          |
| "                                               | World Peace Industrial Co., Ltd.          | "                                        | "                    | ( 1,152,276) | ( 17.01)                                    | "           | "                                                           | "           | 4,450                               | 1.01                                                          |          |
| "                                               | WPG Electronics (Hong Kong) Limited       | "                                        | "                    | ( 858,958)   | ( 12.68)                                    | "           | "                                                           | "           | 134,381                             | 30.53                                                         |          |

Note 1: As the related party transactions of consolidated subsidiaries exceeding \$100 million are voluminous, the related information disclosed here is from the sales aspect.

Note 2: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 3: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

Note 5: The income arose from the provision of administrative resources and management services, and the sales price and terms were determined by the parties.

Note 6: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

WPG Holdings Limited and Subsidiaries  
Receivables from related parties reaching \$100 million or 20% of paid-in capital or more  
Year ended December 31, 2022

Table 6

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Creditor                                        | Counterparty                                             | Relationship<br>with the counterparty | Balance as at<br>December 31, 2022<br>(Note 1) | Turnover rate<br>(Note 2) | Overdue receivables |              | Amount collected<br>subsequent to<br>the balance<br>sheet date (Note 3) | Allowance for<br>doubtful accounts |
|-------------------------------------------------|----------------------------------------------------------|---------------------------------------|------------------------------------------------|---------------------------|---------------------|--------------|-------------------------------------------------------------------------|------------------------------------|
|                                                 |                                                          |                                       |                                                |                           | Amount              | Action taken |                                                                         |                                    |
| WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                         | Same ultimate parent company          | \$ 115,482                                     | 10.43                     | \$ -                | -            | \$ 107,290                                                              | \$ -                               |
| World Peace Industrial Co., Ltd.                | WPI International (Hong Kong) Limited                    | "                                     | 647,516                                        | 10.73                     | -                   | -            | 647,516                                                                 | -                                  |
| World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited                      | "                                     | 696,118                                        | 3.21                      | 40,142              | -            | 209,510                                                                 | -                                  |
| World Peace International (South Asia) Pte Ltd. | World Peace Industrial Co., Ltd.                         | "                                     | 151,820                                        | 12.44                     | -                   | -            | 4,113                                                                   | -                                  |
| World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited | "                                     | 307,346                                        | 7.83                      | -                   | -            | 307,346                                                                 | -                                  |
| World Peace International (South Asia) Pte Ltd. | WPI International (South Asia) Pte Ltd.                  | "                                     | 124,577                                        | 29.09                     | -                   | -            | 124,577                                                                 | -                                  |
| World Peace International (South Asia) Pte Ltd. | WPG SCM Limited                                          | "                                     | 824,259                                        | 5.62                      | -                   | -            | 308,270                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                         | "                                     | 581,166                                        | 9.03                      | -                   | -            | 581,166                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG China (SZ) Inc.                                      | "                                     | 506,780                                        | 5.50                      | -                   | -            | 275,983                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG China Inc.                                           | "                                     | 378,780                                        | 5.06                      | -                   | -            | 316,057                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited                      | "                                     | 570,436                                        | 3.02                      | -                   | -            | 300,803                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG SCM Limited                                          | "                                     | 122,003                                        | 11.68                     | -                   | -            | 122,003                                                                 | -                                  |
| Silicon Application Corp.                       | WPG China (SZ) Inc.                                      | "                                     | 297,980                                        | 3.94                      | 4,444               | -            | 140,497                                                                 | -                                  |
| Silicon Application Corp.                       | WPG Electronics (Hong Kong) Limited                      | "                                     | 1,301,875                                      | 2.89                      | 62,055              | -            | 622,930                                                                 | -                                  |
| Pernas Electronics Co., Ltd.                    | Silicon Application Corp.                                | "                                     | 140,202                                        | 6.97                      | -                   | -            | 140,202                                                                 | -                                  |
| Everwiner Enterprise Co., Ltd.                  | Pernas Electronics Co., Ltd.                             | "                                     | 255,979                                        | 5.53                      | -                   | -            | 126,251                                                                 | -                                  |
| Asian Information Technology Inc.               | Frontek Technology Corporation                           | "                                     | 2,068,509                                      | 3.40                      | -                   | -            | 486,210                                                                 | -                                  |
| Asian Information Technology Inc.               | Apache Communication Inc.                                | "                                     | 219,454                                        | 6.27                      | -                   | -            | 110,823                                                                 | -                                  |
| Asian Information Technology Inc.               | WPG Electronics (Hong Kong) Limited                      | "                                     | 180,202                                        | 2.61                      | -                   | -            | 69,546                                                                  | -                                  |
| Frontek Technology Corporation                  | WPG Electronics (Hong Kong) Limited                      | "                                     | 179,518                                        | 2.15                      | -                   | -            | 70,651                                                                  | -                                  |
| Apache Communication Inc.                       | Asian Information Technology Inc.                        | "                                     | 206,604                                        | 1.81                      | -                   | -            | -                                                                       | -                                  |
| WPG China Inc.                                  | WPG China (SZ) Inc.                                      | "                                     | 169,942                                        | 4.40                      | -                   | -            | 46,145                                                                  | -                                  |
| Yosun Industrial Corp.                          | WPG China (SZ) Inc.                                      | "                                     | 108,236                                        | 5.86                      | -                   | -            | 52,596                                                                  | -                                  |
| Yosun Industrial Corp.                          | WPG China Inc.                                           | "                                     | 140,650                                        | 4.33                      | -                   | -            | 39,721                                                                  | -                                  |

| Creditor                                        | Counterparty                                    | Relationship<br>with the counterparty | Balance as at<br>December 31, 2022<br>(Note 1) | Turnover rate<br>(Note 2) | Overdue receivables |              | Amount collected<br>subsequent to<br>the balance<br>sheet date (Note 3) | Allowance for<br>doubtful accounts |
|-------------------------------------------------|-------------------------------------------------|---------------------------------------|------------------------------------------------|---------------------------|---------------------|--------------|-------------------------------------------------------------------------|------------------------------------|
|                                                 |                                                 |                                       |                                                |                           | Amount              | Action taken |                                                                         |                                    |
| Yosun Industrial Corp.                          | Yosun Hong Kong Corp. Ltd.                      | Same ultimate parent company          | \$ 306,467                                     | 24.36                     | \$ -                | -            | \$ 306,467                                                              | -                                  |
| Yosun Hong Kong Corp. Ltd.                      | WPG China Inc.                                  | "                                     | 122,200                                        | 3.76                      | -                   | -            | 34,829                                                                  | -                                  |
| Yosun Hong Kong Corp. Ltd.                      | Yosun Shanghai Corp. Ltd.                       | "                                     | 144,646                                        | 2.07                      | -                   | -            | 8,284                                                                   | -                                  |
| Richpower Electronic Devices Co., Ltd           | WPG Electronics (Hong Kong) Limited             | "                                     | 285,745                                        | 2.68                      | 3,374               | -            | 147,475                                                                 | -                                  |
| Richpower Electronic Devices Co., Limited       | Yosun Industrial Corp.                          | "                                     | 136,746                                        | 4.87                      | -                   | -            | 84,240                                                                  | -                                  |
| Richpower Electronic Devices Co., Limited       | Yosun Hong Kong Corp. Ltd.                      | "                                     | 255,773                                        | 24.17                     | -                   | -            | 255,773                                                                 | -                                  |
| Peng Yu Trigold Limited                         | WPI International (Hong Kong) Limited           | "                                     | 134,381                                        | 7.91                      | -                   | -            | 134,381                                                                 | -                                  |
| Peng Yu Trigold Limited                         | WPG Electronics (Hong Kong) Limited             | "                                     | 224,636                                        | 6.04                      | -                   | -            | 117,186                                                                 | -                                  |
| WPG Electronics (Hong Kong) Limited             | World Peace Industrial Co., Ltd.                | "                                     | 1,408,357                                      | 2.87                      | -                   | -            | 54,271                                                                  | -                                  |
| WPG Electronics (Hong Kong) Limited             | WPI International (Hong Kong) Limited           | "                                     | 2,558,029                                      | 2.62                      | -                   | -            | 1,858,357                                                               | -                                  |
| WPG Electronics (Hong Kong) Limited             | Peng Yu Trigold Limited                         | "                                     | 382,411                                        | 7.38                      | -                   | -            | 382,411                                                                 | -                                  |
| WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                | "                                     | 326,421                                        | 0.00                      | -                   | -            | 98                                                                      | -                                  |
| WPG Holdings Limited                            | Yosun Industrial Corp.                          | "                                     | 120,559                                        | 0.00                      | -                   | -            | 39                                                                      | -                                  |
| World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited             | "                                     | 948,405                                        | 0.00                      | -                   | -            | 3,565                                                                   | -                                  |
| WPI International (South Asia) Pte. Ltd.        | World Peace International (South Asia) Pte Ltd. | "                                     | 108,194                                        | 0.00                      | -                   | -            | 34                                                                      | -                                  |
| WPI International (South Asia) Pte. Ltd.        | WPG SCM Limited                                 | "                                     | 158,525                                        | 0.00                      | -                   | -            | 158,525                                                                 | -                                  |
| World Peace International (South Asia) Pte Ltd. | WPG South Asia Pte. Ltd.                        | "                                     | 241,110                                        | 0.00                      | -                   | -            | 241,108                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                | "                                     | 1,237,921                                      | 0.00                      | -                   | -            | 6,025                                                                   | -                                  |
| WPI International (Hong Kong) Limited           | WPG China Inc.                                  | "                                     | 693,010                                        | 0.00                      | -                   | -            | 419,483                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | World Peace International (South Asia) Pte Ltd. | "                                     | 644,605                                        | 0.00                      | -                   | -            | 322,756                                                                 | -                                  |
| WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited             | "                                     | 5,004,427                                      | 0.00                      | -                   | -            | 10,363                                                                  | -                                  |
| WPG C&C Limited                                 | WPI International (Hong Kong) Limited           | "                                     | 247,688                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Long-Think International (Hong Kong) Limited    | WPI International (Hong Kong) Limited           | "                                     | 465,818                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| AECO Electronics Co., Ltd.                      | WPI International (Hong Kong) Limited           | "                                     | 748,226                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Silicon Application Company Limited             | Silicon Application corp.                       | "                                     | 713,894                                        | 0.00                      | -                   | -            | 3,767                                                                   | -                                  |
| Silicon Application Company Limited             | WPG Electronics (Hong Kong) Limited             | "                                     | 1,044,518                                      | 0.00                      | -                   | -            | 1,044,518                                                               | -                                  |
| Pernas Electronics Co., Ltd.                    | Everwiner Enterprise Co., Ltd.                  | "                                     | 203,763                                        | 0.00                      | -                   | -            | 1,388                                                                   | -                                  |
| Apache Communication Inc.                       | Henshen Electric Trading Co., Ltd.              | "                                     | 408,305                                        | 0.00                      | -                   | -            | 55,798                                                                  | -                                  |

Table 6, Page 2

| Creditor                              | Counterparty                                    | Relationship<br>with the counterparty | Balance as at<br>December 31, 2022<br>(Note 1) | Turnover rate<br>(Note 2) | Overdue receivables |              | Amount collected<br>subsequent to<br>the balance<br>sheet date (Note 3) | Allowance for<br>doubtful accounts |
|---------------------------------------|-------------------------------------------------|---------------------------------------|------------------------------------------------|---------------------------|---------------------|--------------|-------------------------------------------------------------------------|------------------------------------|
|                                       |                                                 |                                       |                                                |                           | Amount              | Action taken |                                                                         |                                    |
| Apache Communication Inc.             | Frontek Technology Corporation                  | Same ultimate parent company          | \$ 465,226                                     | 0.00                      | \$ -                | -            | \$ -                                                                    | \$ -                               |
| WPG China (SZ) Inc.                   | LaaS (Dongguan) Supply Chain Management Limited | "                                     | 135,808                                        | 0.00                      | -                   | -            | 44,080                                                                  | -                                  |
| Yosun Industrial Corp.                | Yosun Shanghai Corp. Ltd.                       | "                                     | 266,599                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Suntop Investments Limited            | WPG South Asia Pte. Ltd.                        | "                                     | 416,863                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Yosun Hong Kong Corp. Ltd.            | Yosun Industrial Corp.                          | "                                     | 266,728                                        | 0.00                      | -                   | -            | 518                                                                     | -                                  |
| Yosun Hong Kong Corp. Ltd.            | Yosun Singapore Pte Ltd.                        | "                                     | 256,580                                        | 0.00                      | -                   | -            | 171                                                                     | -                                  |
| Yosun South China Corp. Ltd.          | Yosun Shanghai Corp. Ltd.                       | "                                     | 199,697                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Sertek Incorporated                   | Richpower Electronic Devices Co., Ltd           | "                                     | 559,925                                        | 0.00                      | -                   | -            | 311,133                                                                 | -                                  |
| Richpower Electronic Devices Pte Ltd. | Yosun Singapore Pte Ltd.                        | "                                     | 236,653                                        | 0.00                      | -                   | -            | 186                                                                     | -                                  |
| Trigold Holdings Limited              | Peng Yu Trigold Limited                         | "                                     | 159,661                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| Peng Yu International Limited         | Peng Yu Trigold Limited                         | "                                     | 232,407                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| WPG C&C Shanghai Co., Ltd.            | LaaS (Dongguan) Supply Chain Management Limited | "                                     | 301,399                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| WPG South Asia Pte. Ltd.              | WPG Korea Co., Ltd.                             | "                                     | 432,603                                        | 0.00                      | -                   | -            | 122,840                                                                 | -                                  |
| WPG SCM Limited                       | WPG Korea Co., Ltd.                             | "                                     | 215,959                                        | 0.00                      | -                   | -            | -                                                                       | -                                  |
| WPG SCM Limited                       | WPG Electronics (Hong Kong) Limited             | "                                     | 308,615                                        | 0.00                      | -                   | -            | 1,515                                                                   | -                                  |
| WPG International (Hong Kong) Limited | WPG International (CI) Limited                  | "                                     | 796,908                                        | 0.00                      | -                   | -            | 796,908                                                                 | -                                  |
| WPG International (CI) Limited        | WPG Holdings Limited                            | "                                     | 1,916,134                                      | 0.00                      | -                   | -            | -                                                                       | -                                  |

Note 1: Balance as at December 31, 2022 includes other receivables that exceed \$100,000.

Note 2: Turnover rate of 0.00 was caused by the receivables amount recorded as other receivables, and thus the turnover rate is not applicable. The nature of certain other receivables pertains to loans to others, refer to table 1 for details.

Note 3: The subsequent collections are those receivables collected as of February 14, 2023.



WPG Holdings Limited and Subsidiaries  
Significant inter-company transactions during the reporting period  
Year ended December 31, 2022

Table 7

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Number<br>(Note 1) | Company name                                    | Counterparty                                             | Relationship<br>(Note 2) | Transaction            |            |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|----------------------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                          |                          | General ledger account | Amount     | Transaction terms |                                                                                       |
| 0                  | WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                         | 1                        | Sales                  | \$ 945,392 | Note 11           | 0.12                                                                                  |
| 0                  | WPG Holdings Limited                            | Silicon Application Corp.                                | 1                        | "                      | 231,589    | Note 11           | 0.03                                                                                  |
| 0                  | WPG Holdings Limited                            | Asian Information Technology Inc.                        | 1                        | "                      | 232,683    | Note 11           | 0.03                                                                                  |
| 0                  | WPG Holdings Limited                            | Yosun Industrial Corp.                                   | 1                        | "                      | 311,693    | Note 11           | 0.04                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPI International (Hong Kong) Limited                    | 3                        | "                      | 12,529,158 | Note 5            | 1.62                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG China (SZ) Inc.                                      | 3                        | "                      | 406,436    | Note 5            | 0.05                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG China Inc.                                           | 3                        | "                      | 399,209    | Note 5            | 0.05                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | Yosun Industrial Corp.                                   | 3                        | "                      | 105,092    | Note 5            | 0.01                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | Genuine C&C Inc.                                         | 3                        | "                      | 273,993    | Note 5            | 0.04                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | World Peace International (South Asia) Pte Ltd.          | 3                        | "                      | 211,829    | Note 5            | 0.03                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 1,581,619  | Note 5            | 0.20                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | World Peace Industrial Co., Ltd.                         | 3                        | "                      | 1,026,527  | Note 5            | 0.13                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPI International (Hong Kong) Limited                    | 3                        | "                      | 342,648    | Note 5            | 0.04                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG Americas Inc.                                        | 3                        | "                      | 110,663    | Note 5            | 0.01                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | World Peace International (India) Pvt., Ltd.             | 3                        | "                      | 114,941    | Note 5            | 0.01                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited | 3                        | "                      | 1,861,222  | Note 5            | 0.24                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG C&C (Malaysia) Sdn. Bhd                              | 3                        | "                      | 752,981    | Note 5            | 0.10                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG C&C (Thailand) Co., Ltd.                             | 3                        | "                      | 420,280    | Note 5            | 0.05                                                                                  |

| Number<br>(Note 1) | Company name                                    | Counterparty                                    | Relationship<br>(Note 2) | Transaction            |              |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|-------------------------------------------------|--------------------------|------------------------|--------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                 |                          | General ledger account | Amount       | Transaction terms |                                                                                       |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPI International (South Asia) Pte. Ltd.        | 3                        | Sales                  | \$ 1,812,266 | Note 5            | 0.23                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG SCM Limited                                 | 3                        | "                      | 4,167,120    | Note 5            | 0.54                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                | 3                        | "                      | 8,303,666    | Note 5            | 1.07                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China (SZ) Inc.                             | 3                        | "                      | 2,897,089    | Note 5            | 0.37                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China Inc.                                  | 3                        | "                      | 2,596,037    | Note 5            | 0.33                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG Korea Co., Ltd.                             | 3                        | "                      | 267,480      | Note 5            | 0.03                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace International (South Asia) Pte Ltd. | 3                        | "                      | 892,043      | Note 5            | 0.12                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 2,425,292    | Note 5            | 0.31                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG SCM Limited                                 | 3                        | "                      | 1,090,096    | Note 5            | 0.14                                                                                  |
| 4                  | Silicon Application Corp.                       | Silicon Application Company Limited             | 3                        | "                      | 131,107      | Notes 9 and 11    | 0.02                                                                                  |
| 4                  | Silicon Application Corp.                       | Pernas Electronics Co., Ltd.                    | 3                        | "                      | 543,157      | Notes 9 and 11    | 0.07                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG China (SZ) Inc.                             | 3                        | "                      | 1,279,609    | Notes 9 and 12    | 0.17                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG China Inc.                                  | 3                        | "                      | 388,162      | Notes 9 and 12    | 0.05                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 4,255,712    | Notes 9 and 12    | 0.55                                                                                  |
| 5                  | Pernas Electronics Co., Ltd.                    | Silicon Application corp.                       | 3                        | "                      | 1,515,689    | Notes 9 and 11    | 0.20                                                                                  |
| 5                  | Pernas Electronics Co., Ltd.                    | Everwiner Enterprise Co., Ltd.                  | 3                        | "                      | 278,969      | Note 4            | 0.04                                                                                  |
| 6                  | Everwiner Enterprise Co., Ltd.                  | Silicon Application corp.                       | 3                        | "                      | 682,336      | Notes 9 and 11    | 0.09                                                                                  |
| 6                  | Everwiner Enterprise Co., Ltd.                  | Pernas Electronics Co., Ltd.                    | 3                        | "                      | 1,652,027    | Note 4            | 0.21                                                                                  |
| 7                  | Asian Information Technology Inc.               | Silicon Application corp.                       | 3                        | "                      | 158,821      | Note 4            | 0.02                                                                                  |
| 7                  | Asian Information Technology Inc.               | Frontek Technology Corporation                  | 3                        | "                      | 7,355,321    | Note 4            | 0.95                                                                                  |
| 7                  | Asian Information Technology Inc.               | Apache Communication Inc.                       | 3                        | "                      | 1,639,280    | Note 4            | 0.21                                                                                  |
| 7                  | Asian Information Technology Inc.               | WPG China (SZ) Inc.                             | 3                        | "                      | 143,929      | Note 4            | 0.02                                                                                  |
| 7                  | Asian Information Technology Inc.               | WPG China Inc.                                  | 3                        | "                      | 159,890      | Note 4            | 0.02                                                                                  |
| 7                  | Asian Information Technology Inc.               | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 330,526      | Note 4            | 0.04                                                                                  |
| 8                  | Frontek Technology Corporation                  | Asian Information Technology Inc.               | 3                        | "                      | 4,428,004    | Note 4            | 0.57                                                                                  |

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|                    |                                           |                                           |                          | Transaction            |            |                   |                                                                                       |
|--------------------|-------------------------------------------|-------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
| Number<br>(Note 1) | Company name                              | Counterparty                              | Relationship<br>(Note 2) | General ledger account | Amount     | Transaction terms | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
| 8                  | Frontek Technology Corporation            | WPG China Inc.                            | 3                        | Sales                  | \$ 148,995 | Note 4            | 0.02                                                                                  |
| 8                  | Frontek Technology Corporation            | WPG Electronics (Hong Kong) Limited       | 3                        | "                      | 437,710    | Note 4            | 0.06                                                                                  |
| 9                  | Apache Communication Inc.                 | Asian Information Technology Inc.         | 3                        | "                      | 1,192,488  | Note 4            | 0.15                                                                                  |
| 11                 | WPG China (SZ) Inc.                       | WPG China Inc.                            | 3                        | "                      | 424,676    | Note 8            | 0.05                                                                                  |
| 12                 | WPG China Inc.                            | WPG China (SZ) Inc.                       | 3                        | "                      | 1,037,395  | Note 5            | 0.13                                                                                  |
| 13                 | WPG Americas Inc.                         | World Peace Industrial Co., Ltd.          | 3                        | "                      | 933,814    | Note 5            | 0.12                                                                                  |
| 13                 | WPG Americas Inc.                         | Yosun Industrial Corp.                    | 3                        | "                      | 510,964    | Note 5            | 0.07                                                                                  |
| 15                 | Yosun Industrial Corp.                    | WPG China (SZ) Inc.                       | 3                        | "                      | 789,258    | Note 8            | 0.10                                                                                  |
| 15                 | Yosun Industrial Corp.                    | WPG China Inc.                            | 3                        | "                      | 645,483    | Note 8            | 0.08                                                                                  |
| 15                 | Yosun Industrial Corp.                    | Yosun Hong Kong Corp. Ltd.                | 3                        | "                      | 4,433,574  | Note 5            | 0.57                                                                                  |
| 15                 | Yosun Industrial Corp.                    | Richpower Electronic Devices Co., Ltd.    | 3                        | "                      | 130,028    | Note 5            | 0.02                                                                                  |
| 15                 | Yosun Industrial Corp.                    | Richpower Electronic Devices Co., Limited | 3                        | "                      | 111,837    | Note 5            | 0.01                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | WPG China (SZ) Inc.                       | 3                        | "                      | 439,661    | Note 8            | 0.06                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | WPG China Inc.                            | 3                        | "                      | 893,381    | Note 8            | 0.12                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | Yosun Industrial Corp.                    | 3                        | "                      | 7,428,914  | Note 5            | 0.96                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | Yosun Shanghai Corp. Ltd.                 | 3                        | "                      | 152,083    | Note 8            | 0.02                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                | Richpower Electronic Devices Co., Limited | 3                        | "                      | 2,147,120  | Note 5            | 0.28                                                                                  |
| 18                 | Sertek Incorporated                       | Yosun Industrial Corp.                    | 3                        | "                      | 793,172    | Note 5            | 0.10                                                                                  |
| 18                 | Sertek Incorporated                       | Yosun Hong Kong Corp. Ltd.                | 3                        | "                      | 672,319    | Note 5            | 0.09                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.    | Silicon Application Corp.                 | 3                        | "                      | 1,459,822  | Note 5            | 0.19                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.    | Yosun Industrial Corp.                    | 3                        | "                      | 541,401    | Note 5            | 0.07                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.    | Sertek Incorporated                       | 3                        | "                      | 112,127    | Note 5            | 0.01                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.    | WPG Electronics (Hong Kong) Limited       | 3                        | "                      | 978,655    | Note 5            | 0.13                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited | WPI International (Hong Kong) Limited     | 3                        | "                      | 465,563    | Note 5            | 0.06                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited | WPG China (SZ) Inc.                       | 3                        | "                      | 200,706    | Note 8            | 0.03                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited | Yosun Industrial Corp.                    | 3                        | "                      | 473,513    | Note 5            | 0.06                                                                                  |

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| Number<br>(Note 1) | Company name                                    | Counterparty                                    | Relationship<br>(Note 2) | Transaction            |              |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|-------------------------------------------------|--------------------------|------------------------|--------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                 |                          | General ledger account | Amount       | Transaction terms |                                                                                       |
| 20                 | Richpower Electronic Devices Co., Limited       | Yosun Hong Kong Corp. Ltd.                      | 3                        | Sales                  | \$ 3,856,568 | Note 5            | 0.50                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited       | Richpower Electronic Devices Co., Ltd.          | 3                        | "                      | 618,414      | Note 5            | 0.08                                                                                  |
| 27                 | LaaS (Dongguan) Supply Chain Management Limited | World Peace Industrial Co., Ltd.                | 3                        | "                      | 108,286      | Note 5            | 0.01                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | World Peace Industrial Co., Ltd.                | 3                        | "                      | 1,152,276    | Note 4            | 0.15                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPI International (Hong Kong) Limited           | 3                        | "                      | 858,958      | Note 4            | 0.11                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | Yosun Industrial Corp.                          | 3                        | "                      | 103,638      | Note 4            | 0.01                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | Yosun Hong Kong Corp. Ltd.                      | 3                        | "                      | 184,763      | Note 4            | 0.02                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | Richpower Electronic Devices Co., Limited       | 3                        | "                      | 209,379      | Note 4            | 0.03                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPG C&C Shanghai Co., Ltd.                      | 3                        | "                      | 2,184,899    | Note 4            | 0.28                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 733,180      | Note 4            | 0.09                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | World Peace Industrial Co., Ltd.                | 3                        | "                      | 2,117,296    | Note 5            | 0.27                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | WPI International (Hong Kong) Limited           | 3                        | "                      | 7,286,171    | Note 5            | 0.94                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | WPG China (SZ) Inc.                             | 3                        | "                      | 364,349      | Note 5            | 0.05                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | Richpower Electronic Devices Co., Limited       | 3                        | "                      | 135,056      | Note 5            | 0.02                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | Peng Yu International Limited                   | 3                        | "                      | 135,069      | Note 5            | 0.02                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | Peng Yu Trigold Limited                         | 3                        | "                      | 5,525,849    | Note 5            | 0.71                                                                                  |
| 14                 | WPG South Asia Pte. Ltd.                        | World Peace International (South Asia) Pte Ltd. | 3                        | "                      | 574,836      | Note 5            | 0.07                                                                                  |
| 14                 | WPG South Asia Pte. Ltd.                        | Yosun Singapore Pte Ltd.                        | 3                        | "                      | 130,853      | Note 5            | 0.02                                                                                  |
| 17                 | Yosun Singapore Pte Ltd.                        | Yousn Hong Kong Corp. Ltd.                      | 3                        | "                      | 133,141      | Note 5            | 0.02                                                                                  |
| 17                 | Yosun Singapore Pte Ltd.                        | WPG SCM Limited                                 | 3                        | "                      | 554,918      | Note 5            | 0.07                                                                                  |
| 0                  | WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                | 1                        | Accounts receivable    | 115,482      | Note 11           | 0.04                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPI International (Hong Kong) Limited           | 3                        | "                      | 647,516      | Note 5            | 0.20                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 696,118      | Note 5            | 0.22                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | World Peace Industrial Co., Ltd.                | 3                        | "                      | 151,820      | Note 5            | 0.05                                                                                  |

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| Number<br>(Note 1) | Company name                                    | Counterparty                                             | Relationship<br>(Note 2) | Transaction            |            |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|----------------------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                          |                          | General ledger account | Amount     | Transaction terms |                                                                                       |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG C&C Computers And Peripheral (India) Private Limited | 3                        | Accounts receivable    | \$ 307,346 | Note 5            | 0.10                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPI International (South Asia) Pte. Ltd.                 | 3                        | "                      | 124,577    | Note 5            | 0.04                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG SCM Limited                                          | 3                        | "                      | 824,259    | Note 5            | 0.26                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                         | 3                        | "                      | 581,166    | Note 5            | 0.18                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China (SZ) Inc.                                      | 3                        | "                      | 506,780    | Note 5            | 0.16                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China Inc.                                           | 3                        | "                      | 378,780    | Note 5            | 0.12                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 570,436    | Note 5            | 0.18                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG SCM Limited                                          | 3                        | "                      | 122,003    | Note 5            | 0.04                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG China (SZ) Inc.                                      | 3                        | "                      | 297,980    | Notes 9 and 12    | 0.09                                                                                  |
| 4                  | Silicon Application Corp.                       | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 1,301,875  | Notes 9 and 12    | 0.41                                                                                  |
| 5                  | Pernas Electronics Co., Ltd.                    | Silicon Application corp.                                | 3                        | "                      | 140,202    | Notes 9 and 11    | 0.04                                                                                  |
| 6                  | Everwiner Enterprise Co., Ltd.                  | Pernas Electronics Co., Ltd.                             | 3                        | "                      | 255,979    | Note 4            | 0.08                                                                                  |
| 7                  | Asian Information Technology Inc.               | Frontek Technology Corporation                           | 3                        | "                      | 2,068,509  | Note 4            | 0.65                                                                                  |
| 7                  | Asian Information Technology Inc.               | Apache Communication Inc.                                | 3                        | "                      | 219,454    | Note 4            | 0.07                                                                                  |
| 7                  | Asian Information Technology Inc.               | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 180,202    | Note 4            | 0.06                                                                                  |
| 8                  | Frontek Technology Corporation                  | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 179,518    | Note 4            | 0.06                                                                                  |
| 9                  | Apache Communication Inc.                       | Asian Information Technology Inc.                        | 3                        | "                      | 206,604    | Note 4            | 0.07                                                                                  |
| 12                 | WPG China Inc.                                  | WPG China (SZ) Inc.                                      | 3                        | "                      | 169,942    | Note 5            | 0.05                                                                                  |
| 15                 | Yosun Industrial Corp.                          | WPG China (SZ) Inc.                                      | 3                        | "                      | 108,236    | Note 8            | 0.03                                                                                  |
| 15                 | Yosun Industrial Corp.                          | WPG China Inc.                                           | 3                        | "                      | 140,650    | Note 8            | 0.04                                                                                  |
| 15                 | Yosun Industrial Corp.                          | Yosun Hong Kong Corp. Ltd.                               | 3                        | "                      | 306,467    | Note 5            | 0.10                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                      | WPG China Inc.                                           | 3                        | "                      | 122,200    | Note 8            | 0.04                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.                      | Yosun Shanghai Corp. Ltd.                                | 3                        | "                      | 144,646    | Note 5            | 0.05                                                                                  |
| 19                 | Richpower Electronic Devices Co., Ltd.          | WPG Electronics (Hong Kong) Limited                      | 3                        | "                      | 285,745    | Note 5            | 0.09                                                                                  |
| 20                 | Richpower Electronic Devices Co., Limited       | Yosun Industrial Corp.                                   | 3                        | "                      | 136,746    | Note 5            | 0.04                                                                                  |

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| Number<br>(Note 1) | Company name                                    | Counterparty                                    | Relationship<br>(Note 2) | Transaction            |            |                   | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
|--------------------|-------------------------------------------------|-------------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
|                    |                                                 |                                                 |                          | General ledger account | Amount     | Transaction terms |                                                                                       |
| 20                 | Richpower Electronic Devices Co., Limited       | Yosun Hong Kong Corp. Ltd.                      | 3                        | Accounts receivable    | \$ 255,773 | Note 5            | 0.08                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPI International (Hong Kong) Limited           | 3                        | "                      | 134,381    | Note 4            | 0.04                                                                                  |
| 21                 | Peng Yu Trigold Limited                         | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 224,636    | Note 4            | 0.07                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | World Peace Industrial Co., Ltd.                | 3                        | "                      | 1,408,357  | Note 10           | 0.45                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | WPI International (Hong Kong) Limited           | 3                        | "                      | 2,558,029  | Note 10           | 0.81                                                                                  |
| 10                 | WPG Electronics (Hong Kong) Limited             | Peng Yu Trigold Limited                         | 3                        | "                      | 382,411    | Note 10           | 0.12                                                                                  |
| 0                  | WPG Holdings Limited                            | World Peace Industrial Co., Ltd.                | 1                        | Other receivables      | 326,421    | Note 13           | 0.10                                                                                  |
| 0                  | WPG Holdings Limited                            | Yosun Industrial Corp.                          | 1                        | "                      | 120,559    | Note 13           | 0.04                                                                                  |
| 1                  | World Peace Industrial Co., Ltd.                | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 948,405    | Note 7            | 0.30                                                                                  |
| 22                 | WPI International (South Asia) Pte. Ltd.        | World Peace International (South Asia) Pte Ltd. | 3                        | "                      | 108,194    | Note 7            | 0.03                                                                                  |
| 22                 | WPI International (South Asia) Pte. Ltd.        | WPG SCM Limited                                 | 3                        | "                      | 158,525    | Note 6            | 0.05                                                                                  |
| 2                  | World Peace International (South Asia) Pte Ltd. | WPG South Asia Pte. Ltd.                        | 3                        | "                      | 241,110    | Note 6            | 0.08                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace Industrial Co., Ltd.                | 3                        | "                      | 1,237,921  | Note 7            | 0.39                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG China Inc.                                  | 3                        | "                      | 693,010    | Note 7            | 0.22                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | World Peace International (South Asia) Pte Ltd. | 3                        | "                      | 644,605    | Note 14           | 0.20                                                                                  |
| 3                  | WPI International (Hong Kong) Limited           | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 5,004,427  | Note 7            | 1.58                                                                                  |
| 23                 | WPG C&C Limited                                 | WPI International (Hong Kong) Limited           | 3                        | "                      | 247,688    | Note 7            | 0.08                                                                                  |
| 24                 | Long-Think International (Hong Kong) Limited    | WPI International (Hong Kong) Limited           | 3                        | "                      | 465,818    | Note 7            | 0.15                                                                                  |
| 25                 | AECO Electronics Co., Ltd.                      | WPI International (Hong Kong) Limited           | 3                        | "                      | 748,226    | Note 7            | 0.24                                                                                  |
| 26                 | Silicon Application Company Limited             | Silicon Application corp.                       | 3                        | "                      | 713,894    | Note 7            | 0.23                                                                                  |
| 26                 | Silicon Application Company Limited             | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 1,044,518  | Note 7            | 0.33                                                                                  |
| 5                  | Pernas Electronic Co., Ltd.                     | Everwiner Enterprise Co., Ltd.                  | 3                        | "                      | 203,763    | Note 7            | 0.06                                                                                  |
| 9                  | Apache Communication Inc.                       | Henshen Electric Trading Co., Ltd.              | 3                        | "                      | 408,305    | Note 7            | 0.13                                                                                  |
| 9                  | Apache Communication Inc.                       | Frontek Technology Corporation                  | 3                        | "                      | 465,226    | Note 7            | 0.15                                                                                  |

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|                    |                                       |                                                 |                          | Transaction            |            |                   |                                                                                       |
|--------------------|---------------------------------------|-------------------------------------------------|--------------------------|------------------------|------------|-------------------|---------------------------------------------------------------------------------------|
| Number<br>(Note 1) | Company name                          | Counterparty                                    | Relationship<br>(Note 2) | General ledger account | Amount     | Transaction terms | Percentage of consolidated<br>total operating<br>revenues or total assets<br>(Note 3) |
| 11                 | WPG China (SZ) Inc.                   | LaaS (Dongguan) Supply Chain Management Limited | 3                        | Other receivables      | \$ 135,808 | Note 7            | 0.04                                                                                  |
| 15                 | Yosun Industrial Corp.                | Yosun Shanghai Corp. Ltd.                       | 3                        | "                      | 266,599    | Note 7            | 0.08                                                                                  |
| 31                 | Suntop Investments Limited            | WPG South Asia Pte. Ltd.                        | 3                        | "                      | 416,863    | Note 15           | 0.13                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.            | Yosun Industrial Corp.                          | 3                        | "                      | 266,728    | Note 7            | 0.08                                                                                  |
| 16                 | Yosun Hong Kong Corp. Ltd.            | Yosun Singapore Pte Ltd.                        | 3                        | "                      | 256,580    | Note 7            | 0.08                                                                                  |
| 29                 | Yosun South China Corp. Ltd.          | Yosun Shanghai Corp. Ltd.                       | 3                        | "                      | 199,697    | Note 7            | 0.06                                                                                  |
| 18                 | Sertek Incorporated                   | Richpower Electronic Devices Co., Ltd.          | 3                        | "                      | 559,925    | Note 7            | 0.18                                                                                  |
| 30                 | Richpower Electronic Devices Pte Ltd. | Yosun Singapore Pte Ltd.                        | 3                        | "                      | 236,653    | Note 7            | 0.07                                                                                  |
| 34                 | Trigold Holdings Limited              | Peng Yu Trigold Limited                         | 3                        | "                      | 159,661    | Note 7            | 0.05                                                                                  |
| 32                 | Peng Yu International Limited         | Peng Yu Trigold Limited                         | 3                        | "                      | 232,407    | Note 7            | 0.07                                                                                  |
| 33                 | WPG C&C Shanghai Co., Ltd.            | LaaS (Dongguan) Supply Chain Management Limited | 3                        | "                      | 301,399    | Note 7            | 0.10                                                                                  |
| 14                 | WPG South Asia Pte. Ltd.              | WPG Korea Co., Ltd.                             | 3                        | "                      | 432,603    | Note 7            | 0.14                                                                                  |
| 27                 | WPG SCM Limited                       | WPG Korea Co., Ltd.                             | 3                        | "                      | 215,959    | Note 7            | 0.07                                                                                  |
| 27                 | WPG SCM Limited                       | WPG Electronics (Hong Kong) Limited             | 3                        | "                      | 308,615    | Note 7            | 0.10                                                                                  |
| 35                 | WPG International (Hong Kong) Limited | WPG International (CI) Limited                  | 3                        | "                      | 796,908    | Note 15           | 0.25                                                                                  |
| 36                 | WPG International (CI) Limited        | WPG Holdings Limited                            | 3                        | "                      | 1,916,134  | Note 15           | 0.61                                                                                  |

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

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

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

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary.

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

Note 4: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~120 days from the end of the month of sales.

Note 5: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 30~90 days from the end of the month of sales.

Note 6: The amount receivable pertains to receipts under custody.

Note 7: Mainly accrued financing charges.

Note 8: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition. The collection period is 60~120 days from the end of the month of sales.

Note 9: The terms and sales prices were negotiated in consideration of different factors including product, cost, market and competition.

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Note 10: The collection period is 60 days from the end of the month of sales.

Note 11: The collection period is 30 days from the end of the month of sales.

Note 12: The collection period is 90 days from the end of the month of sales.

Note 13: The amount receivable arose from filing of consolidated tax return.

Note 14: The receivable was due from a payment to supplier on behalf of associates.

Note 15: The receivable arose from disposals of equity investments.



WPG Holdings Limited and Subsidiaries  
Information on investees (excluding information on investments in Mainland china)  
Year ended December 31, 2022

Table 8

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investor                         | Investee                                | Location       | Main business activities                                     | Initial investment amount       |                                 | Shares held as at December 31, 2022 |               |               | Net profit (loss) of the investee for the year ended December 31, 2022 | Investment income (loss) recognized by the Company for the year ended December 31, 2022 (Note 1) | Footnote      |
|----------------------------------|-----------------------------------------|----------------|--------------------------------------------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------|---------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------|
|                                  |                                         |                |                                                              | Balance as at December 31, 2022 | Balance as at December 31, 2021 | Number of shares                    | Ownership (%) | Book value    |                                                                        |                                                                                                  |               |
| WPG Holdings Limited             | World Peace Industrial Co., Ltd.        | Taiwan         | Agent and sales of electronic/electrical components          | \$ 18,471,669                   | \$ 18,471,669                   | 1,812,000,000                       | 100.00        | \$ 31,911,579 | \$ 4,145,513                                                           | \$ 4,145,513                                                                                     | Note 4        |
| WPG Holdings Limited             | Asian Information Technology Inc.       | Taiwan         | Sales of electronic/electrical components                    | 4,863,464                       | 4,863,464                       | 612,089,200                         | 100.00        | 7,841,571     | 1,385,097                                                              | 1,385,097                                                                                        | Note 4        |
| WPG Holdings Limited             | Silicon Application Corp.               | Taiwan         | Sales of computer software, hardware and electronic products | 5,717,962                       | 5,717,962                       | 650,300,000                         | 100.00        | 9,595,680     | 1,106,664                                                              | 1,106,664                                                                                        | Note 4        |
| WPG Holdings Limited             | WPG Electronics Limited                 | Taiwan         | Warehousing services                                         | 14,735                          | 14,735                          | 3,920,000                           | 100.00        | 35,141        | (10,137)                                                               | (9,126)                                                                                          | Note 4        |
| WPG Holdings Limited             | WPG Korea Co., Ltd.                     | South Korea    | Agent and sales of electronic/electrical components          | 394,436                         | 308,771                         | 2,959,494                           | 100.00        | 757,261       | 35,396                                                                 | 35,396                                                                                           | Note 4        |
| WPG Holdings Limited             | WPG International (CI) Limited          | Cayman Islands | Holding company                                              | 5,120,481                       | 5,120,481                       | 150,282,520                         | 100.00        | 8,343,376     | 689,452                                                                | 689,452                                                                                          | Note 4        |
| WPG Holdings Limited             | Yosun Industrial Corp.                  | Taiwan         | Sales of electronic/electrical components                    | 12,144,406                      | 12,144,406                      | 402,310,300                         | 100.00        | 13,939,256    | 1,455,001                                                              | 1,451,485                                                                                        | Note 4        |
| WPG Holdings Limited             | WPG Investment Co., Ltd.                | Taiwan         | Investment company                                           | 2,102,997                       | 2,102,997                       | 210,000,000                         | 100.00        | 1,984,564     | (42,640)                                                               | (66,487)                                                                                         | Note 4        |
| WPG Holdings Limited             | Trigold Holdings Limited                | Taiwan         | Investment company                                           | 940,141                         | 940,141                         | 59,195,189                          | 58.86         | 1,271,553     | 186,528                                                                | 109,510                                                                                          | Note 4        |
| WPG Holdings Limited             | WPG EMEA B.V.                           | Netherlands    | Sales of electronic/electrical components                    | 140,500                         | 140,500                         | 5,000,000                           | 100.00        | 82,290        | (46,120)                                                               | (46,120)                                                                                         | Note 4        |
| WPG Holdings Limited             | WPG Electronics (Hong Kong) Limited     | Hong Kong      | Agent and sales of electronic/electrical components          | 799,765                         | -                               | 234,081,858                         | 100.00        | 816,629       | 195,088                                                                | (5,947)                                                                                          | Note 4        |
| WPG Holdings Limited             | WPG South Asia Pte. Ltd.                | Singapore      | Sales of electronic/electrical components                    | 1,116,369                       | -                               | 34,119,105                          | 100.00        | 1,156,440     | 33,000                                                                 | 18,002                                                                                           | Note 4        |
| WPG Holdings Limited             | WT Microelectronics Co., Ltd.           | Taiwan         | Trading company                                              | 8,111,638                       | 8,111,638                       | 177,110,000                         | 20.05         | 11,952,982    | 7,631,123                                                              | 1,583,902                                                                                        | Note 6        |
| World Peace Industrial Co., Ltd. | WPI International (South Asia) Pte Ltd. | Singapore      | Agent and sales of electronic/electrical components          | 1,132,162                       | 1,132,162                       | 34,196,393                          | 100.00        | 4,547,263     | 189,964                                                                | -                                                                                                | Notes 2 and 5 |

| Investor                                 | Investee                                        | Location               | Main business activities                                     | Initial investment amount       |                                 | Shares held as at December 31, 2022 |               |               | Net profit (loss) of the investee for the year ended December 31, 2022 | Investment income (loss) recognized by the Company for the year ended December 31, 2022 (Note 1) | Footnote      |
|------------------------------------------|-------------------------------------------------|------------------------|--------------------------------------------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------|---------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------|
|                                          |                                                 |                        |                                                              | Balance as at December 31, 2022 | Balance as at December 31, 2021 | Number of shares                    | Ownership (%) | Book value    |                                                                        |                                                                                                  |               |
| World Peace Industrial Co., Ltd.         | WPI Technology Pte. Ltd.                        | Singapore              | Agent and sales of electronic/ eletrical components          | \$ 2,774,146                    | \$ 2,774,146                    | 83,179,435                          | 100.00        | \$ 27,746,923 | \$ 2,370,272                                                           | \$ -                                                                                             | Notes 2 and 5 |
| World Peace Industrial Co., Ltd.         | Longview Technology Inc.                        | Taiwan                 | Agent and sales of electronic/ eletrical components          | 364,290                         | 364,290                         | 33,900,000                          | 100.00        | 539,602       | (996)                                                                  | -                                                                                                | Notes 2 and 5 |
| World Peace Industrial Co., Ltd.         | Chainpower Technology Corp.                     | Taiwan                 | Agent and sales of electronic/ eletrical components          | 66,261                          | 66,261                          | 9,781,452                           | 39.00         | 199,293       | 94,451                                                                 | -                                                                                                | Notes 2 and 3 |
| World Peace Industrial Co., Ltd.         | AECO Technology Co., Ltd.                       | Taiwan                 | Agent and sales of electronic/ eletrical components          | 1,468,555                       | 1,468,555                       | 94,600,000                          | 100.00        | 1,530,078     | 8,091                                                                  | -                                                                                                | Notes 2 and 5 |
| WPI International (South Asia) Pte. Ltd. | Genuine C&C (IndoChina) Pte Ltd.                | Singapore              | Agent and sales of electronic/ eletrical components          | 119,912                         | 119,912                         | 5,359,370                           | 80.00         | 224,660       | 8,950                                                                  | -                                                                                                | Notes 2 and 5 |
| WPI International (South Asia) Pte. Ltd. | WPG Americas Inc.                               | U.S.A                  | Agent and sales of electronic/ eletrical components          | 36,629                          | 36,629                          | 6,100,000                           | 2.61          | 60,653        | 223,077                                                                | -                                                                                                | Notes 2 and 5 |
| WPI International (South Asia) Pte. Ltd. | World Peace International (South Asia) Pte Ltd. | Singapore              | Agent and sales of electronic/ eletrical components          | 696,473                         | 696,473                         | 34,314,692                          | 100.00        | 3,970,739     | 160,641                                                                | -                                                                                                | Notes 2 and 5 |
| WPI Technology Pte. Ltd.                 | WPI International (Hong Kong) Limited           | Hong Kong              | Agent and sales of electronic/ eletrical components          | 3,254,652                       | 3,254,652                       | 4,087,084,000                       | 100.00        | 27,663,431    | 2,332,150                                                              | -                                                                                                | Notes 2 and 5 |
| Longview Technology Inc.                 | Longview Technology GC Limited                  | British Virgin Islands | Holding company                                              | 335,328                         | 335,328                         | 11,300,000                          | 100.00        | 576,296       | 6,209                                                                  | -                                                                                                | Notes 2 and 5 |
| Longview Technology Inc.                 | Long-Think International Co., Ltd.              | Taiwan                 | Agent and sales of electronic/ eletrical components          | 37,302                          | 37,302                          | 4,000,000                           | 100.00        | 44,307        | (881)                                                                  | -                                                                                                | Notes 2 and 5 |
| AECO Technology Co., Ltd.                | Teco Enterprise Holding (BVI) Co., Ltd.         | British Virgin Islands | Investment company                                           | 436,280                         | 436,280                         | 12,610,000                          | 100.00        | 839,763       | 12,125                                                                 | -                                                                                                | Notes 2 and 5 |
| Silicon Application Corp.                | Silicon Application (BVI) Corporation           | British Virgin Islands | Holding company                                              | 706,402                         | 706,402                         | 22,000,000                          | 100.00        | 1,821,873     | 37,402                                                                 | -                                                                                                | Notes 2 and 5 |
| Silicon Application Corp.                | Win-Win Systems Ltd.                            | British Virgin Islands | Holding company                                              | 24,015                          | 24,015                          | 765,000                             | 100.00        | 26,794        | 268                                                                    | -                                                                                                | Notes 2 and 5 |
| Silicon Application Corp.                | SAC Components (South Asia) Pte. Ltd.           | Singapore              | Sales of computer software, hardware and electronic products | 104,510                         | 104,510                         | 3,500,000                           | 100.00        | 123,621       | 6,430                                                                  | -                                                                                                | Notes 2 and 5 |

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|                                       |                                           |                        |                                                                           | Initial investment amount |                   | Shares held as at December 31, 2022 |               |              |                                                   |                                                                                |               |
|---------------------------------------|-------------------------------------------|------------------------|---------------------------------------------------------------------------|---------------------------|-------------------|-------------------------------------|---------------|--------------|---------------------------------------------------|--------------------------------------------------------------------------------|---------------|
| Investor                              | Investee                                  | Location               | Main business activities                                                  | Balance as at             | Balance as at     | Number of shares                    | Ownership (%) | Book value   | Net profit (loss) of                              | Investment income                                                              | Footnote      |
|                                       |                                           |                        |                                                                           | December 31, 2022         | December 31, 2021 |                                     |               |              | the investee for the year ended December 31, 2022 | (loss) recognized by the Company for the year ended December 31, 2022 (Note 1) |               |
| Silicon Application Corp.             | Pernas Electronics Co., Ltd.              | Taiwan                 | Agent and sales of electronic/ eletrical components                       | \$ 959,504                | \$ 959,504        | 90,000,000                          | 100.00        | \$ 1,441,201 | \$ 210,751                                        | \$ -                                                                           | Notes 2 and 5 |
| Pernas Electronics Co., Ltd.          | Everwiner Enterprise Co., Ltd.            | Taiwan                 | Agent and sales of electronic/ eletrical components                       | 343,959                   | 343,959           | 37,000,000                          | 100.00        | 995,903      | 172,929                                           | -                                                                              | Notes 2 and 5 |
| Asian Information Technology Inc.     | Frontek Technology Corporation            | Taiwan                 | Sales of electronic/ electrical components                                | 1,515,256                 | 1,515,256         | 250,000,000                         | 100.00        | 2,905,157    | 386,614                                           | -                                                                              | Notes 2 and 5 |
| Asian Information Technology Inc.     | Apache Communication Inc.                 | Taiwan                 | Sales of electronic/ electrical components                                | 980,313                   | 980,313           | 219,300,000                         | 100.00        | 2,556,130    | 470,662                                           | -                                                                              | Notes 2 and 5 |
| Asian Information Technology Inc.     | Henshen Electric Trading Co., Ltd.        | Taiwan                 | Sales of electronic/ electrical components                                | 223,121                   | 124,521           | 20,000,000                          | 100.00        | 239,965      | 25,415                                            | -                                                                              | Notes 2 and 5 |
| Asian Information Technology Inc.     | Adivic Technology Co., Ltd.               | Taiwan                 | Import and export business for electronic components                      | 206,200                   | 206,200           | 4,410,000                           | 25.94         | 17,640       | (37,077)                                          | -                                                                              | Notes 2 and 3 |
| Asian Information Technology Inc.     | Fame Hall International Co., Ltd.         | British Virgin Islands | Investment company                                                        | 155,558                   | 155,558           | 4,703,107                           | 100.00        | 268,776      | 18,871                                            | -                                                                              | Notes 2 and 5 |
| Frontek Technology Corporation        | Frontek International Limited             | British Virgin Islands | Investment company                                                        | 101,862                   | 101,862           | 2,970,000                           | 100.00        | 135,165      | 1,387                                             | -                                                                              | Notes 2 and 5 |
| Yosun Industrial Corp.                | Suntop Investments Limited                | Cayman Islands         | Investment company                                                        | 1,812,188                 | 1,812,188         | 50,700,000                          | 100.00        | 5,931,719    | 199,446                                           | -                                                                              | Notes 2 and 5 |
| Yosun Industrial Corp.                | Sertek Incorporated                       | Taiwan                 | Sales of electronic/ eletrical components                                 | 1,616,722                 | 1,616,722         | 94,828,100                          | 100.00        | 1,967,059    | 334,126                                           | -                                                                              | Notes 2 and 5 |
| Yosun Industrial Corp.                | Pan-World Control Technologies, Inc.      | Taiwan                 | Wholesale of machinery                                                    | -                         | 19,920            | -                                   | -             | -            | -                                                 | -                                                                              | Notes 2 and 3 |
| Yosun Industrial Corp.                | Eesource Corp.                            | Taiwan                 | Sales of electronic/electrical components, office machinery and equipment | 11,520                    | 11,520            | 1,080,000                           | 20.00         | 34,385       | 11,148                                            | -                                                                              | Notes 2 and 3 |
| Yosun Industrial Corp.                | Richpower Electronic Devices Co., Ltd     | Taiwan                 | Sales of electronic/ electrical components                                | 2,092,631                 | 2,092,631         | 120,900,000                         | 100.00        | 2,796,878    | 319,849                                           | -                                                                              | Notes 2 and 5 |
| Sertek Incorporated                   | Sertek Limited                            | Hong Kong              | Sales of electronic/ eletrical components                                 | 83,494                    | 83,494            | 19,500,000                          | 100.00        | 82,689       | 164                                               | -                                                                              | Notes 2 and 5 |
| Richpower Electronic Devices Co., Ltd | Richpower Electronic Devices Co., Limited | Hong Kong              | Sales of electronic components                                            | 284,898                   | 284,898           | 63,000,000                          | 100.00        | 2,807,625    | 110,122                                           | -                                                                              | Notes 2 and 5 |
| Richpower Electronic Devices Co., Ltd | Richpower Electronic Devices Pte Ltd.     | Singapore              | Sales of electronic components                                            | 1,988                     | 1,988             | 10,000                              | 100.00        | 239,884      | 5,248                                             | -                                                                              | Notes 2 and 5 |

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|                          |                                              |                |                                                                           | Initial investment amount |                   | Shares held as at December 31, 2022 |               |            |                                                   |                                                                                |               |
|--------------------------|----------------------------------------------|----------------|---------------------------------------------------------------------------|---------------------------|-------------------|-------------------------------------|---------------|------------|---------------------------------------------------|--------------------------------------------------------------------------------|---------------|
| Investor                 | Investee                                     | Location       | Main business activities                                                  | Balance as at             | Balance as at     | Number of shares                    | Ownership (%) | Book value | Net profit (loss) of                              | Investment income                                                              | Footnote      |
|                          |                                              |                |                                                                           | December 31, 2022         | December 31, 2021 |                                     |               |            | the investee for the year ended December 31, 2022 | (loss) recognized by the Company for the year ended December 31, 2022 (Note 1) |               |
| WPG Investment Co., Ltd. | Eesource Corp.                               | Taiwan         | Sales of electronic/electrical components, office machinery and equipment | \$ 11,520                 | \$ 11,520         | 1,080,000                           | 20.00         | \$ 34,385  | \$ 11,148                                         | \$ -                                                                           | Notes 2 and 3 |
| WPG Investment Co., Ltd. | Pan-World Control Technologies, Inc.         | Taiwan         | Wholesale of machinery                                                    | -                         | 17,800            | -                                   | 0.00          | -          | -                                                 | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | Sunrise Technology Co., Ltd.                 | Taiwan         | Manufacturing of computer and its peripheral equipment                    | 50,000                    | 50,000            | 3,279,800                           | 10.67         | 43,350     | 16,756                                            | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | Trigold Holdings Limited                     | Taiwan         | Investment company                                                        | 49,224                    | 49,224            | 1,749,979                           | 1.74          | 36,207     | 186,528                                           | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | AutoSys Co., Ltd.                            | Cayman Islands | Holding company                                                           | 73,000                    | 73,000            | 5,000,000                           | 16.25         | 64,902     | (20,557)                                          | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | Beauteek Global Wellness Corporation Limited | Hong Kong      | Community e-commerce trading plat form and related services               | 25,273                    | 13,663            | 630,044                             | 19.34         | 18,031     | 7,323                                             | -                                                                              | Notes 2 and 3 |
| WPG Investment Co., Ltd. | LaaS Holdings (Samoa) Limited                | Samoa          | Holding company                                                           | 1,142,712                 | 1,142,712         | 40,060,000                          | 100.00        | 790,544    | (88,798)                                          | -                                                                              | Notes 2 and 5 |
| Trigold Holdings Limited | Genuine C&C Inc.                             | Taiwan         | Sales of electronic products and its peripheral equipment                 | 1,093,697                 | 1,093,697         | 79,569,450                          | 100.00        | 1,150,190  | 72,050                                            | -                                                                              | Notes 2 and 5 |
| Trigold Holdings Limited | Trigold (Hong Kong) Company Limited          | Hong Kong      | Holding company                                                           | 600,796                   | 600,796           | 155,200,000                         | 100.00        | 1,127,998  | 63,909                                            | -                                                                              | Notes 2 and 5 |
| Trigold Holdings Limited | Peng Yu Trigold Limited                      | Hong Kong      | Sales of electronic products                                              | 71,212                    | -                 | 2,000,000                           | 100.00        | 151,005    | 74,003                                            | -                                                                              | Notes 2 and 5 |
| Genuine C&C Inc.         | Hoban Inc.                                   | Taiwan         | An E-commerce company which operates B2C and O2O businesses               | 129,999                   | 79,999            | 13,000,000                          | 100.00        | 15,853     | (23,770)                                          | -                                                                              | Notes 2 and 5 |
| Genuine C&C Inc.         | Genuine C&C Holding Inc. (Seychelles)        | Seychelles     | Holding company                                                           | 193,870                   | 193,870           | 6,500,000                           | 100.00        | 144,743    | 2,732                                             | -                                                                              | Notes 2 and 5 |
| Genuine C&C Inc.         | Sunrise Technology Co., Ltd.                 | Taiwan         | Manufacturing of computer and its peripheral equipment                    | 12,636                    | 12,636            | 1,682,151                           | 5.47          | 2,659      | 16,756                                            | -                                                                              | Notes 2 and 3 |
| WPG EMEA B.V.            | WPG EMEA UK LIMITED                          | UK             | Sales of electronic/electrical components                                 | -                         | -                 | -                                   | -             | -          | -                                                 | -                                                                              | Notes 2 and 5 |

Note 1: Investment income (loss) recognized by the company including realized (unrealized) gain or loss from upstream intercompany transactions and amortization of investment discount (premium).

Note 2: Investment income (loss) recognized by each subsidiary.

Note 3: An investee company accounted for using the equity method by subsidiary.

Note 4: A subsidiary.

Note 5: An indirect subsidiary.

Note 6: An investee company accounted for using the equity method by the Company.

WPG Holdings Limited and Subsidiaries  
Information on investments in Mainland China  
Year ended December 31, 2022

Table 9

Expressed in thousands of NTD  
(Except as otherwise indicated)

| Investee in<br>Mainland China                                 | Main business<br>activities                                               | Paid-in<br>capital | Investment<br>method<br>(Note 1) | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China as<br>of January 1, 2022 | Amount remitted from Taiwan to<br>Mainland China / Amount remitted<br>back to Taiwan for the year ended<br>December 31, 2022 |                            | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China as<br>of December 31,<br>2022 | Net income of<br>investee for the<br>year ended<br>December 31,<br>2022 | Ownership held<br>by the Company<br>(direct or<br>indirect) | Investment income<br>(loss) recognized by<br>the Company for the<br>year ended<br>December 31, 2022<br>(Note 2) | Book value of<br>investments in<br>Mainland China as<br>of December 31,<br>2022 (Note 5) | Accumulated<br>amount of<br>investment income<br>remitted back to<br>Taiwan as of<br>December 31, 2022 | Footnote |
|---------------------------------------------------------------|---------------------------------------------------------------------------|--------------------|----------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|----------|
|                                                               |                                                                           |                    |                                  |                                                                                                     | Remitted to<br>Mainland China                                                                                                | Remitted back<br>to Taiwan |                                                                                                          |                                                                         |                                                             |                                                                                                                 |                                                                                          |                                                                                                        |          |
| WPG China (SZ) Inc.                                           | Sales of semiconductor<br>integrated circuit and<br>electronic components | \$ 148,039         | 1                                | \$ 106,759                                                                                          | \$ -                                                                                                                         | \$ -                       | \$ 106,759                                                                                               | \$ 77,676                                                               | 100.00                                                      | \$ 77,676                                                                                                       | \$ 1,270,345                                                                             | \$ -                                                                                                   | Note 3   |
| WPG China Inc.                                                | Agent for selling<br>electronic/electrical<br>components                  | 1,668,194          | 1                                | 1,791,558                                                                                           | -                                                                                                                            | -                          | 1,791,558                                                                                                | 127,716                                                                 | 100.00                                                      | 127,716                                                                                                         | 3,606,038                                                                                | -                                                                                                      |          |
| Gain Tune Logistics<br>(Shanghai) Co., Ltd.                   | Warehousing services /<br>extra work                                      | 38,904             | 1                                | 15,219                                                                                              | -                                                                                                                            | -                          | 15,219                                                                                                   | 21,253                                                                  | 40.00                                                       | 8,501                                                                                                           | 36,500                                                                                   | -                                                                                                      |          |
| Suzhou Xinning Logistics<br>Co., Ltd.                         | Warehousing services                                                      | 64,983             | 1                                | 18,879                                                                                              | -                                                                                                                            | -                          | 18,879                                                                                                   | 5,262                                                                   | 29.40                                                       | 1,547                                                                                                           | 48,473                                                                                   | -                                                                                                      |          |
| Suzhou Xinning Bonded<br>Warehouse Co., Ltd.                  | Warehousing services                                                      | 30,710             | 1                                | 28,815                                                                                              | -                                                                                                                            | -                          | 28,815                                                                                                   | ( 1,267)                                                                | 49.00                                                       | ( 621)                                                                                                          | 69,957                                                                                   | -                                                                                                      |          |
| Yosun Shanghai Corp.<br>Ltd.                                  | Sales of electronic<br>components and<br>warehousing services             | 276,893            | 1                                | 236,467                                                                                             | -                                                                                                                            | -                          | 236,467                                                                                                  | 838                                                                     | 100.00                                                      | 838                                                                                                             | 380,366                                                                                  | -                                                                                                      |          |
| Yosun South China Corp.<br>Ltd.                               | Sales of electronic<br>/electrical components                             | 141,359            | 1                                | -                                                                                                   | -                                                                                                                            | -                          | -                                                                                                        | 3,927                                                                   | 100.00                                                      | 3,927                                                                                                           | 220,826                                                                                  | -                                                                                                      |          |
| Qegoo Technology Co.,<br>Ltd.                                 | Business e-commerce<br>platform                                           | 56,814             | 1                                | 4,924                                                                                               | -                                                                                                                            | -                          | 4,924                                                                                                    | -                                                                       | 15.00                                                       | -                                                                                                               | -                                                                                        | -                                                                                                      |          |
| Beauteek (Shanghai)<br>Global Wellness<br>Corporation Limited | Community<br>e-commerce trading<br>platform and related<br>services       | 82,917             | 1                                | 8,031                                                                                               | 5,939                                                                                                                        | -                          | 13,970                                                                                                   | -                                                                       | 15.38                                                       | -                                                                                                               | -                                                                                        | -                                                                                                      |          |
| LaaS (Dongguan) Supply<br>Chain Management<br>Limited         | Supply chain<br>management, design<br>and related businesses.             | 1,228,400          | 1                                | 1,228,400                                                                                           | -                                                                                                                            | -                          | 1,228,400                                                                                                | ( 88,322)                                                               | 100.00                                                      | ( 88,322)                                                                                                       | 789,354                                                                                  | -                                                                                                      | Note 8   |

| Investee in<br>Mainland China                               | Main business<br>activities                   | Paid-in<br>capital | Investment<br>method<br>(Note 1) | Mainland China as<br>of January 1, 2022 | Amount remitted from Taiwan to<br>Mainland China / Amount remitted<br>back to Taiwan for the year ended<br>December 31, 2022 |                            | Accumulated<br>amount of<br>remittance from<br>Taiwan to<br>Mainland China as<br>of December 31,<br>2022 | Net income of<br>investee for the<br>year ended<br>December 31,<br>2022 | Ownership held<br>by the Company<br>(direct or<br>indirect) | Investment income<br>(loss) recognized by<br>the Company for the<br>year ended<br>December 31, 2022<br>(Note 2) | Book value of<br>investments in<br>Mainland China as<br>of December 31,<br>2022 (Note 5) | Accumulated<br>amount of<br>investment income<br>remitted back to<br>Taiwan as of<br>December 31, 2022 | Footnote |
|-------------------------------------------------------------|-----------------------------------------------|--------------------|----------------------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|----------|
|                                                             |                                               |                    |                                  |                                         | Remitted to<br>Mainland China                                                                                                | Remitted back<br>to Taiwan |                                                                                                          |                                                                         |                                                             |                                                                                                                 |                                                                                          |                                                                                                        |          |
| Peng Yu (Shanghai)<br>Digital Technology Co.,<br>Ltd        | Sales of<br>electronic/electrical<br>products | \$ 99,180          | 1                                | \$ 200,031                              | \$ -                                                                                                                         | \$ -                       | \$ 200,031                                                                                               | \$ 14,700                                                               | 100.00                                                      | \$ 8,908                                                                                                        | \$ 260,482                                                                               | \$ -                                                                                                   |          |
| WPG C&C Shanghai<br>Co., Ltd.                               | Sales of<br>electronic/electrical<br>products | 234,227            | 1                                | 263,097                                 | -                                                                                                                            | -                          | 263,097                                                                                                  | 72,582                                                                  | 100.00                                                      | 43,985                                                                                                          | 375,449                                                                                  | -                                                                                                      | Note 6   |
| Trigolduo (Shanghai)<br>Industrial Development<br>Ltd.      | Children's indoor<br>amusement park           | 88,160             | 1                                | 61,712                                  | -                                                                                                                            | -                          | 61,712                                                                                                   | ( 31,317)                                                               | 70.00                                                       | ( 13,285)                                                                                                       | ( 4,926)                                                                                 | -                                                                                                      |          |
| Trigold Tongle<br>(Shanghai) Industrial<br>Development Ltd. | Children's indoor<br>amusement park           | 6,612              | 1                                | -                                       | -                                                                                                                            | -                          | -                                                                                                        | ( 2,752)                                                                | 70.00                                                       | ( 1,167)                                                                                                        | ( 3,997)                                                                                 | -                                                                                                      | Note 7   |

Note 1: Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

Note 2: The investment income/loss for the year ended December 31, 2022 that was recognised by the Company was based on the financial statements audited by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

Note 3: WPG International (Hong Kong) Limited invested in WPG (SZ) Inc. in the amount of HKD 10 million, which is part of the distribution of earnings from WPG China Inc. The investment had been permitted by Investment Commission, and was excluded from the ceiling of investment amount in Mainland China.

Note 4: For paid-in capital, amount remitted from Taiwan to Mainland China/ amount remitted back to Taiwan for the year ended December 31, 2022, accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2022, book value of investments in Mainland China as of December 31, 2022, accumulated amount of investment income remitted back to Taiwan as of December 31, 2022, etc., the exchange rates used were USD 1: NTD 30.71 HKD 1:NTD 3.938 and RMB 1: NTD 4.408.

Note 5: The ending balance of investment was calculated based on combined ownership percentage held by the Company.

Note 6: The retirement of World Peace Industrial Co., Ltd.'s indirect investment in Mainland China, WPG C&C Shanghai Co., Ltd., has been approved by Investment Commission, Ministry of Economic Affairs on May 22, 2019 amounting to USD 11,650 thousand. World Peace Industrial Co., Ltd. will submit an application to Investment Commission, Ministry of Economic Affairs for deducting the accumulated amount of remittance from Taiwan to Mainland China when the consideration arising from transfer of equity interests is remitted back from the investment in the third area, WPI International (HK) Limited.

Note 7: Trigold Tongle (Shanghai) Industrial Development Ltd. is a wholly-owned subsidiary of Trigolduo (Shanghai) Industrial Development Ltd.

Note 8: WPG Investment Co., Ltd. acquired a 100% equity interest in Mainland China investee, LaaS (Dongguan) Supply Chain Management Limited, through a reinvestment, LaaS Holdings (HK) Limited, of WPG Investment Co., Ltd.'s investment in the third area, Samoa, on August 2, 2020. WPG Investment Co., Ltd. had received a post-approval from the MOEA.

| Company name                                          | Accumulated amount of remittance from<br>Taiwan to Mainland China as of<br>December 31, 2022 | Investment amount approved by the Investment<br>Commission of the Ministry of Economic Affairs<br>(MOEA) | Ceiling on investments in Mainland China<br>imposed by the Investment Commission of MOEA |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| WPG Holdings Limited                                  | \$ 1,961,230                                                                                 | \$ 2,073,585                                                                                             | \$ 49,147,982                                                                            |
| World Peace Industrial Co., Ltd. and its subsidiaries | 382,106                                                                                      | 463,987                                                                                                  | 19,181,359                                                                               |
| Silicon Application Corp. and its subsidiaries        | 13,220                                                                                       | 19,206                                                                                                   | 5,757,408                                                                                |
| Yosun Industrial Corp. and its subsidiaries           | 257,503                                                                                      | 545,536                                                                                                  | 6,115,231                                                                                |
| WPG Investment Co., Ltd.                              | 1,247,294                                                                                    | 1,257,369                                                                                                | 1,190,738                                                                                |
| Trigold Holdings Limited                              | 620,621                                                                                      | 620,621                                                                                                  | 1,256,367                                                                                |

(1) Exchange rates as of December 31, 2022 were USD 1: NTD30.71, HKD 1 : NTD 3.938 and RMB 1 : NTD 4.408.

(2) The ceiling of investment amount of the company is calculated based on the investor's net assets.



WPG Holdings Limited and Subsidiaries  
Major shareholders information  
December 31, 2022

Table 10

| Name of major shareholders                                                                                                                                                     | Shares                |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------|
|                                                                                                                                                                                | Number of shares held | Ownership (%) |
| Independent accounts securities investment trust fund of Cathay MSCI Taiwan ESG Sustainability High Dividend Yield ETF (umbrella fund) entrusted to Taishin International Bank | 118,722,000           | 6.31%         |

Description: If the company applies with Taiwan Depository & Clearing Corporation for the information of the table, the following can be explained in the notes of the table.

- (a) The major shareholders information was derived from the data that the Company issued common shares (including treasury shares) and preference shares in dematerialised form which were registered and held by the shareholders above 5% on the last operating date of each quarter and was calculated by the Taiwan Depository & Clearing Corporation. The share capital which was recorded in the financial statements may be different from the actual number of shares in dematerialised form due to the difference in the calculation basis.
- (b) If the aforementioned data contains shares which were held in trust by the shareholders, the data is disclosed as a separate account of client which was set by the trustee. As for the shareholder who reports share equity as an insider whose shareholding ratio is greater than 10%, in accordance with the Securities and Exchange Act, the shareholding ratio includes the self-owned shares and shares held in trust, and at the same time, the shareholder has the power to decide how to allocate the trust assets. For the information on reported share equity of insider, please refer to Market Observation Post System.

WPG HOLDINGS LIMITED  
DETAILS OF CASH AND CASH EQUIVALENTS  
DECEMBER 31, 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 1

| <u>Items</u>                          | <u>Summary</u>                                                                     | <u>Amount</u>                   |
|---------------------------------------|------------------------------------------------------------------------------------|---------------------------------|
| Checking accounts and demand deposits |                                                                                    | \$ 36,473                       |
| Foreign currency deposits             | USD 1,139,000,<br>exchange rate: 30.71<br>JPY 89,335,000,<br>exchange rate: 0.2324 | 34,987<br><br><br><u>20,767</u> |
|                                       |                                                                                    | <u>\$ 92,227</u>                |

WPG HOLDINGS LIMITED  
MOVEMENT SUMMARY OF INVESTMENTS ACCOUNTED FOR UNDER EQUITY METHOD  
YEAR ENDED DECEMBER 31, 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 2

| Investee                            | Type of investments | As of January 1, 2022  |                      | Additions (Note 2)     |                      | Deductions (Note 4)    |                       | As of December 31, 2022 |                      | Ownership as of December 31, 2022 | Market value or net equity |                            |                 |
|-------------------------------------|---------------------|------------------------|----------------------|------------------------|----------------------|------------------------|-----------------------|-------------------------|----------------------|-----------------------------------|----------------------------|----------------------------|-----------------|
|                                     |                     | No. of shares (Note 1) | Amount               | No. of shares (Note 1) | Amount               | No. of shares (Note 1) | Amount                | No. of shares (Note 1)  | Amount               |                                   | Unit price (Note 3)        | Market value or net equity | Guarantee       |
| World Peace Industrial Co., Ltd.    | Common stock        | 1,742,000              | \$ 25,979,230        | 700,000                | \$ 8,408,372         | -                      | (\$ 2,476,022)        | 1,812,000               | \$ 31,911,580        | 100%                              | \$ 17.62                   | \$ 31,923,999              | None            |
| Silicon Application Corp.           | Common stock        | 608,000                | 7,358,195            | 42,300                 | 2,943,120            | -                      | ( 705,635)            | 650,300                 | 9,595,680            | 100%                              | 14.76                      | 9,595,680                  | None            |
| Trigold Holdings Limited            | Common stock        | 59,195                 | 1,218,447            | -                      | 147,962              | -                      | ( 94,856)             | 59,195                  | 1,271,553            | 58.86%                            | 22.75                      | 1,346,686                  | None            |
| WPG Electronic Ltd.                 | Common stock        | 3,920                  | 46,361               | -                      | -                    | -                      | ( 11,220)             | 3,920                   | 35,141               | 100%                              | 8.69                       | 34,073                     | None            |
| WPG Korea Co., Ltd.                 | Common stock        | 2,236                  | 584,238              | 724                    | 173,023              | -                      | -                     | 2,960                   | 757,261              | 100%                              | 255.83                     | 757,261                    | None            |
| WPG International (CI) Limited      | Common stock        | 150,283                | 7,352,593            | -                      | 1,047,539            | -                      | ( 56,756)             | 150,283                 | 8,343,376            | 100%                              | 55.52                      | 8,343,376                  | None            |
| Asian Information Technology Inc.   | Common stock        | 560,700                | 5,861,122            | 51,389                 | 2,696,987            | -                      | ( 716,538)            | 612,089                 | 7,841,571            | 100%                              | 12.81                      | 7,841,571                  | None            |
| WPG Investment Co., Ltd.            | Common stock        | 210,000                | 2,116,732            | -                      | 11,779               | -                      | ( 143,947)            | 210,000                 | 1,984,564            | 100%                              | 9.45                       | 1,984,564                  | Refer to Note 8 |
| Yosun Industrial Corp.              | Common stock        | 362,074                | 12,023,438           | 40,236                 | 2,645,541            | -                      | ( 729,723)            | 402,310                 | 13,939,256           | 100%                              | 25.33                      | 10,192,052                 | None            |
| WPG EMEA B.V.                       | Common stock        | 5,000                  | 117,116              | -                      | 11,294               | -                      | ( 46,120)             | 5,000                   | 82,290               | 100%                              | 16.46                      | 82,290                     | None            |
| WPG Electronics (Hong Kong) Limited | Common stock        | -                      | -                    | 234,082                | 828,125              | -                      | ( 11,495)             | 234,082                 | 816,630              | 100%                              | 3.49                       | 816,630                    | None            |
| WPG South Asia Pte. Ltd.            | Common stock        | -                      | -                    | 34,119                 | 1,162,766            | -                      | ( 6,326)              | 34,119                  | 1,156,440            | 100%                              | 33.85                      | 1,154,858                  | None            |
| WT Microelectronics Co., Ltd.       | Common stock        | 177,110                | <u>12,856,281</u>    | -                      | <u>2,521,887</u>     | -                      | ( <u>3,425,186</u> )  | 177,110                 | <u>11,952,982</u>    | 20.05%                            | 61.10                      | 10,821,421                 | None            |
|                                     |                     |                        | <u>\$ 75,513,753</u> |                        | <u>\$ 22,598,395</u> |                        | <u>(\$ 8,423,824)</u> |                         | <u>\$ 89,688,324</u> |                                   |                            |                            |                 |

Note 1: In thousands of shares.

Note 2: It mainly arose from new investments, gain on investments accounted for under equity method, cumulative translation adjustment, capital increase of subsidiary, increase in the number of shares from capital increase out of the subsidiary's earnings and accounts changes under the stockholders' equity of the subsidiary.

Note 3: Currency: NTD.

Note 4: It arose from loss on investments accounted for under equity method, cash dividends paid by the subsidiaries, cumulative translation adjustment and accounts changes under the stockholders' equity of the subsidiary.

WPG HOLDINGS LIMITED  
SUMMARY OF SHORT-TERM LOANS  
DECEMBER 31, 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 3

| Type of loans   | Description                        | Ending balance      | Loan period                         | Interest rate range | Pledge /collateral | Remark |
|-----------------|------------------------------------|---------------------|-------------------------------------|---------------------|--------------------|--------|
| Unsecured loans | First Commercial Bank Yongchun     |                     |                                     |                     |                    |        |
|                 | Branch                             | \$ 500,000          | December 2, 2022~January 5, 2023    | 1.80%               | None               |        |
| "               | MUFG Bank Taipei Branch            | 800,000             | November 7, 2022~January 30, 2023   | 1.67%~1.98%         | "                  |        |
| "               | SCSB Bank North Chung Ho Branch    | 50,000              | November 3, 2022~October 6, 2023    | 1.79%               | "                  |        |
| "               | Land Bank of Taiwan Nankang Branch | 800,000             | November 4, 2022~February 4, 2023   | 2.08%               | "                  |        |
| "               | Mizuho Bank Taipei Branch          | 1,180,000           | November 28, 2022~February 24, 2023 | 1.93%~2.00%         | "                  |        |
| "               | Bank of Taiwan Jenai Branch        | 700,000             | November 8, 2022~May 5, 2023        | 1.76%               | "                  |        |
| "               | Mega International Commercial Bank |                     |                                     |                     | "                  |        |
|                 | Nei Hu Branch                      | 500,000             | December 7, 2022~January 13, 2023   | 1.62%~1.70%         |                    |        |
| "               | DBS Bank Taipei Branch             | 825,000             | October 7, 2022~February 10, 2023   | 1.59%~2.10%         | "                  |        |
| "               | Cathay United Bank Guanghai Branch | 100,000             | December 6, 2022~March 6, 2023      | 1.56%               | "                  |        |
| "               | HSBC Bank Taipei Branch            | 100,000             | December 6, 2022~March 6, 2023      | 1.98%               | "                  |        |
| "               | Chang Hwa Bank Nankang Branch      | 750,000             | October 7, 2022~March 31, 2023      | 1.78%               | "                  |        |
|                 |                                    | <u>\$ 6,305,000</u> |                                     |                     |                    |        |

WPG HOLDINGS LIMITED  
DETAILS OF LONG-TERM BORROWINGS  
DECEMBER 31, 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 4

| <u>Creditor</u>                  | <u>Summary</u>                                   | <u>Ending balance</u> | <u>Contract period</u>              | <u>Interest rate range</u> | <u>Pledge /collateral</u> |
|----------------------------------|--------------------------------------------------|-----------------------|-------------------------------------|----------------------------|---------------------------|
| Mizuho Bank Taipei<br>Branch     | Unsecured bank borrowings                        | \$ 4,300,000          | March 10, 2022~July 11, 2025        | 1.48%~1.99%                | None                      |
| Chang Hwa Bank<br>Nankang Branch | "                                                | 325,973               | September 30,2020~December 30, 2026 | 1.89%                      | "                         |
| Chang Hwa Bank<br>Nankang Branch | Secured bank borrowings                          | <u>6,232,000</u>      | March 31, 2020~August 26, 2041      | 1.74%                      | Land and<br>structures    |
|                                  |                                                  | 10,857,973            |                                     |                            |                           |
|                                  | Less: Current portion of long-term<br>borrowings | ( <u>105,904</u> )    |                                     |                            |                           |
|                                  |                                                  | <u>\$ 10,752,069</u>  |                                     |                            |                           |

WPG HOLDINGS LIMITED  
SUMMARY OF OPERATING COST  
YEAR ENDED DECEMBER 31, 2022  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 5

| <u>Items</u>           | <u>Amount</u>       | <u>Remark</u>                                                         |
|------------------------|---------------------|-----------------------------------------------------------------------|
| Salaries expense       | \$ 701,995          |                                                                       |
| Depreciation           | 169,604             |                                                                       |
| Management service fee | 89,446              |                                                                       |
| Service fees           | 89,256              |                                                                       |
| Other expenses         | <u>486,660</u>      | Balance of individual accounts is under 5% of this account's balance. |
|                        | <u>\$ 1,536,961</u> |                                                                       |

WPG HOLDINGS LIMITED  
SUMMARY OF EMPLOYEE BENEFIT EXPENSE,  
DEPRECIATION AND AMORTISATION  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Statement 6

|                                                                      | Operating cost           |                   |
|----------------------------------------------------------------------|--------------------------|-------------------|
|                                                                      | Years ended December 31, |                   |
|                                                                      | 2022                     | 2021              |
| Employee benefit expense                                             |                          |                   |
| Wages and salaries                                                   | \$ 701,995               | \$ 667,265        |
| Labor and health insurance fees                                      | 35,220                   | 31,638            |
| Pension costs                                                        | 17,166                   | 13,955            |
| Directors' remuneration                                              | 49,256                   | 52,869            |
| Other personnel expenses                                             | 29,856                   | 22,000            |
|                                                                      | <u>\$ 833,493</u>        | <u>\$ 787,727</u> |
| Depreciation (including investment property and right-of-use assets) | <u>\$ 179,987</u>        | <u>\$ 173,589</u> |
| Amortization                                                         | <u>\$ 70,595</u>         | <u>\$ 57,913</u>  |

Note:

1. As at December 31, 2022 and 2021, the Company had 373 and 266 employees, including 8 non-employee directors for both years, respectively.
2. Average employee benefit expense in current year was \$2,149; average employee benefit expense in previous year was \$2,848.
3. Average employee's salaries in current year was \$1,923; average employee's salaries in previous year was \$2,586.
4. Adjustments of average employees' salaries was (25.64%).
5. Refer to Note 6(23) C. for the Company's salary and remuneration policy.

## 7. Analysis and Risk Items of Financial Status and Financial Performance

### 7.1 Financial Status

#### 7.1.1 Consolidated Financial Status Comparison and Analysis

Unit: NT\$ thousands

| Year<br>Item                                                                    | 2022        | 2021        | Difference   |          |
|---------------------------------------------------------------------------------|-------------|-------------|--------------|----------|
|                                                                                 |             |             | Amount       | %        |
| Current Assets                                                                  | 274,413,096 | 246,449,061 | 27,964,035   | 11.35    |
| Cash and Cash Equivalents                                                       | 16,597,342  | 14,407,940  | 2,189,402    | 15.20    |
| Notes and Accounts Receivable                                                   | 120,667,355 | 134,392,147 | (13,724,792) | (10.21)  |
| Other Receivables                                                               | 20,009,977  | 7,177,972   | 12,832,005   | 178.77   |
| Inventory                                                                       | 111,737,091 | 86,214,706  | 25,522,385   | 29.60    |
| Non-Current Assets                                                              | 41,806,544  | 41,289,563  | 516,981      | 1.25     |
| Financial Assets at Fair Value through Profit or Loss - Non-Current             | 1,724,617   | 1,920,100   | (195,483)    | (10.18)  |
| Financial Assets at Fair Value through Other Comprehensive Income - Non-Current | 3,341,083   | 3,321,562   | 19,521       | 0.59     |
| Investments accounted for under Equity Method                                   | 12,617,898  | 13,453,324  | (835,426)    | (6.21)   |
| Property, Plant and Equipment                                                   | 11,970,875  | 11,911,715  | 59,160       | 0.50     |
| Total Assets Value                                                              | 316,219,640 | 287,738,624 | 28,481,016   | 9.90     |
| Current Liabilities                                                             | 197,055,821 | 182,224,039 | 14,831,782   | 8.14     |
| Bank Loan (including short-term notes and bills payable and corporate bonds)    | 85,861,250  | 89,779,377  | (3,918,127)  | (4.36)   |
| Notes Payables and Accounts Payables                                            | 81,352,595  | 75,936,631  | 5,415,964    | 7.13     |
| Long-term Liabilities - Current Portion                                         | 10,934,042  | 119,092     | 10,814,950   | 9,081.17 |
| Other Current Liabilities                                                       | 18,907,934  | 16,388,939  | 2,518,995    | 15.37    |
| Non-Current Liabilities                                                         | 37,250,516  | 34,289,239  | 2,961,277    | 8.64     |
| Long-term Borrowings                                                            | 33,532,103  | 31,478,246  | 2,053,857    | 6.52     |
| Total Liabilities                                                               | 234,306,337 | 216,513,278 | 17,793,059   | 8.22     |
| Capital                                                                         | 18,790,568  | 18,790,568  | —            | —        |
| Total Equity                                                                    | 81,913,303  | 71,225,346  | 10,687,957   | 15.01    |

#### 7.1.2 Major Reasons, Impacts and Future Plans about Significant Changes in Consolidated Assets, Liabilities and Equity in the Last Two Years

- (1) Other receivables: mainly due to an increase in the sale retention of accounts receivable paid by banks during the year °
- (2) Inventory: mainly due to the slowdown in market demand in the fourth quarter of 2022 and the slow destocking.
- (3) Long-term liabilities due within one year or one business cycle: caused mainly due to the fact that part of the long-term borrowings will due in 2023 and be transferred to long-term borrowings within one year °



### 7.1.3 Parent Company-Only Financial Status Comparison and Analysis

Unit: NT\$ thousands

| Year<br>Item                                                | 2022        | 2021       | Difference |        |
|-------------------------------------------------------------|-------------|------------|------------|--------|
|                                                             |             |            | Amount     | %      |
| Current Assets                                              | 907,431     | 615,205    | 292,226    | 47.50  |
| Investment accounted for under Equity Method                | 89,688,324  | 75,513,753 | 14,174,571 | 18.77  |
| Property, Plant and Equipment                               | 6,694,412   | 6,873,466  | (179,054)  | (2.61) |
| Total Assets                                                | 102,390,994 | 88,154,607 | 14,236,387 | 16.15  |
| Bank Loan<br>(including short-term notes and bills payable) | 6,903,944   | 6,964,303  | (60,359)   | (0.87) |
| Total Liabilities                                           | 21,334,744  | 17,754,678 | 3,580,066  | 20.16  |
| Capital                                                     | 18,790,568  | 18,790,568 | —          | —      |
| Total Equity                                                | 81,056,250  | 70,399,929 | 10,656,321 | 15.14  |

### 7.1.4 Major Reasons, Impacts and Future Plans about Significant Changes in Parent Company-Only Assets, Liabilities, and Equity in the Last Two Years

- (1) Current assets: due to an increase in the consolidated tax from sub-group.
- (2) Total liabilities: mainly due to the acquisition of unpaid amounts from the equity of subsidiaries.

## 7.2 Financial Performance

### 7.2.1 Consolidated Statement - Financial Performance Comparison and Analysis

Unit: NT\$ thousands

| Year<br>Item                       | 2022          | 2021          | Difference  |          |
|------------------------------------|---------------|---------------|-------------|----------|
|                                    |               |               | Amount      | %        |
| Operating Revenue                  | 775,232,422   | 778,572,715   | (3,340,293) | (0.43)   |
| Operating Costs                    | (745,644,021) | (748,871,952) | 3,227,931   | (0.43)   |
| Gross Profit                       | 29,588,401    | 29,700,763    | (112,362)   | (0.38)   |
| Operating Expenses                 | (14,888,268)  | (15,897,207)  | 1,008,939   | (6.35)   |
| Operating Profit                   | 14,700,133    | 13,803,556    | 896,577     | 6.50     |
| Non-operating Incomes and Expenses | (1,989,801)   | 371,544       | (2,361,345) | (635.55) |
| Income before Income Tax           | 12,710,332    | 14,175,100    | (1,464,768) | (10.33)  |
| Income Tax Expense                 | (2,132,898)   | (2,527,390)   | 394,492     | (15.61)  |
| Profit for the year                | 10,577,434    | 11,647,710    | (1,070,276) | (9.19)   |

7.2.2 Major Reasons and Impacts for Significant Changes in Operating income, Net Operating Profit and Pre-tax Income in the Consolidated Statements in the Latest Two Years:

- (1) Net Non-Operating Income : mainly due to the increase in financial costs caused by raising interest rate.

7.2.3 Parent Company-Only Statements - Financial Performance Comparison and Analysis

Unit: NT\$ thousands

| Year<br>Item                       | 2022        | 2021        | Difference  |            |
|------------------------------------|-------------|-------------|-------------|------------|
|                                    |             |             | Amount      | %          |
| Operating Revenue                  | 12,149,084  | 13,000,495  | (851,411)   | (6.55)     |
| Operating Costs                    | (1,536,961) | (1,362,511) | (174,450)   | 12.80      |
| Gross Profit                       | 10,612,123  | 11,637,984  | (1,025,861) | (8.81)     |
| Non-operating Incomes and Expenses | 64,680      | (158,915)   | 223,595     | (140.70)   |
| Income before Income Tax           | 10,676,803  | 11,479,069  | (802,266)   | (6.99)     |
| Income Tax (Expense) Benefits      | (164,337)   | 17,864      | (182,201)   | (1,019.93) |
| Profit for the year                | 10,512,466  | 11,496,933  | (984,467)   | (8.56)     |

7.2.4 Major Reasons and Impacts for Significant Changes in Parent Company-Only Operating Income, Operating Profit, and Income Before Income Tax in the Last Two Years

- (1) Net Non-Operating Income : mainly due to the increase from 2022 dividend income .
- (2) Income Tax (Expense) Benefits: mainly due to the addition of undistributed surplus in 2022.

7.2.5 The Expected Sales and its basis, and the Possible Impact on the Company's Future Financial Operations and Response Plans for the Coming Year

In response to the general trend of global supply chain, the Company will take "global service" and "business continuity" as the work head in 2023. We continue to take digital transformation as the foundation, online platform and offline team to fully cooperate with the supply chain transfer plan from OEM and customers, And according to the customers' requirements in each district, we actively look for suitable new production line agents. We build and explore new business models from LaaS ( Logistics as a Service) to BpaaS ( Business Process as a Service). We interpret the day after tomorrow as our tomorrow and imagine what the industry will look like in ten years from now . In 2023, WPG will focus on strengthening supply chain resilience and improve continuously, optimizing the operational quality of various functions.

In 2022, the Fed raised interest rates rapidly, and the WPG's overall financial cost rose sharply. The key factor affecting the operating results in 2023 is the ability to practice financial discipline. WPG's front and back-end teams gingerly use return on operating assets (ROWC) as their metric, strive to optimize the various impacts and mitigate financial pressure caused by interest rate hikes through good working capital management.

### 7.3 Cash Flow

#### 7.3.1 Analysis of Consolidated Cash Flow Changes in the Most Recent Year

Unit: NT\$ thousands

| Cash and Cash Equivalents at Beginning of Year | Net Cash Inflow (Outflow) from Operating Activities in the Year | Cash Inflow (Outflow) in the Year | Cash Balance, End of Year | Remedial Measures for Cash Inadequacy |                |
|------------------------------------------------|-----------------------------------------------------------------|-----------------------------------|---------------------------|---------------------------------------|----------------|
|                                                |                                                                 |                                   |                           | Investment Plan                       | Financial Plan |
| 14,407,940                                     | (6,088,354)                                                     | 2,189,402                         | 16,597,342                | —                                     | —              |

Net cash outflow from operating activities in the 2022 consolidated statements was mainly due to the market for personal consumer electronics products gradually saturated brought about by the epidemic, resulting in poor destocking. Moreover, the Ukrainian-Russian War and global inflation significantly affect raw materials rising cost and increase the purchase amount of general production lines, that results in cash outflows. In addition, with global interest rate hikes and loan interest rates risen, increased interest expenses bring about cash used in operating activities. Net cash outflow from investing activities in 2022 was mainly due to the raising of current financial assets at fair value through profit or loss (CFAFV) and the increased equipment expenditure ; net cash inflow from financing activities in 2022 was mainly due to the increase in loans required for operations. The cash inflows for the whole year of 2022 resulted in an increase in the closing cash balance compared with the beginning cash balance.

### 7.3.2 Analysis of Parent Company-Only Cash Flow Changes in the Most Recent Year

Unit: NT\$ thousands

| Cash and Cash Equivalents at Beginning of Year | Net Cash Inflow (Outflow) from Operating Activities in the Year | Cash Inflow (Outflow) in the Year | Cash Balance, End of Year | Remedial Measures for Cash Inadequacy |                |
|------------------------------------------------|-----------------------------------------------------------------|-----------------------------------|---------------------------|---------------------------------------|----------------|
|                                                |                                                                 |                                   |                           | Investment Plan                       | Financial Plan |
| 86,530                                         | 6,197,843                                                       | 5,697                             | 92,227                    | —                                     | —              |

The Company's cash flow mainly consists of general funds required for daily operations, obtaining cash dividends from subsidiaries, and paying the shareholders' cash dividends. The net cash outflow from investing activities in 2022 was mainly due to the raising of current financial assets at fair value through profit or loss (CFAFV) and the increased expenditure on computer software. The net cash outflow from financing activities in 2022 was mainly due to the increase in long-term loans, and the distribution of cash dividends to the shareholders. The cash inflows for the whole year of 2022 resulted in an increase in the closing cash balance compared with the beginning cash balance.

### 7.3.3 Improvement Plan for Lack of Liquidity: There is no lack of liquidity for WPG Holdings Limited and WPG Group.

### 7.3.4 Analysis of the Consolidated Cash Liquidity for the Upcoming Year

Unit: NT\$ thousands

| Cash and Cash Equivalents at Beginning of Year | Net Cash Inflow (Outflow) from Operating Activities in the Year | Cash Inflow (Outflow) in the Year | Cash Balance, End of Year | Remedial Measures for Cash Inadequacy |                |
|------------------------------------------------|-----------------------------------------------------------------|-----------------------------------|---------------------------|---------------------------------------|----------------|
|                                                |                                                                 |                                   |                           | Investment Plan                       | Financial Plan |
| 16,597,342                                     | 7,435,195                                                       | (1,825,056)                       | 14,772,285                | —                                     | —              |

Net cash inflow from operating activities is expected in the next year, mainly due to the expected increase in net cash inflow of the revenue more than net cash outflow of working capital requirement in 2023; net cash inflow from financing activities in 2023 is due to increased loans in response to capital needs; cash outflow for the entire year in 2023, resulting in a decrease in the closing cash balance compared with the beginning cash balance.

### 7.3.5 Analysis of the Parent Company-Only Cash Liquidity for the Upcoming Year

Unit: NT\$ thousands

| Cash and Cash Equivalents at Beginning of Year | Net Cash Inflow (Outflow) from Operating Activities in the Year | Cash Inflow (Outflow) in the Year | Cash Balance, End of Year | Remedial Measures for Cash Inadequacy |                |
|------------------------------------------------|-----------------------------------------------------------------|-----------------------------------|---------------------------|---------------------------------------|----------------|
|                                                |                                                                 |                                   |                           | Investment Plan                       | Financial Plan |

|        |            |          |        |   |   |
|--------|------------|----------|--------|---|---|
| 92,227 | 11,727,641 | (40,112) | 52,115 | — | — |
|--------|------------|----------|--------|---|---|

The Company's cash flow mainly consists of general funds required for daily operations, obtaining cash dividends from subsidiaries and paying dividends. The cash outflow in the whole year of 2023 is estimated to result in a decrease in the closing cash balance compared with the beginning cash balance.

#### 7.4 Major Capital Expenditures and Impact on Financial and Business in the Most Recent Year

N/A

#### 7.5 Reinvestment Policy, Main Reasons for Profit or Loss, and Improvement Plans in the Most Recent Year, and Investment Plan for the Upcoming Year

##### 7.5.1 Reinvestment Analysis

December 31, 2022 / Unit: NT\$ thousands

| Description Item                  | Closing Balance of Long-term Investment | Business Activities                                   | Profit (loss) for 2022 Amount | Reason for Profits or Losses                                          | Improvement plan | Other Future Investment Plans |
|-----------------------------------|-----------------------------------------|-------------------------------------------------------|-------------------------------|-----------------------------------------------------------------------|------------------|-------------------------------|
| World Peace Industrial Co., Ltd.  | 31,911,579                              | Agent and sales of electronic / electrical components | 4,145,513                     | Increased investment income due to investees' continued profitability | —                | —                             |
| Silicon Application Corporation   | 9,595,680                               | Sales of computer software and electronic products    | 1,106,664                     | "                                                                     | —                | —                             |
| Asian Information Technology Inc. | 7,841,571                               | Sales of electronic / electrical components           | 1,385,097                     | "                                                                     | —                | —                             |
| Yosun Industrial Corp.            | 13,939,256                              | Sales of electronic / electrical components           | 1,455,001                     | "                                                                     | —                | —                             |
| WPG Electronics Ltd.              | 35,141                                  | Warehousing                                           | (10,137)                      | Investment loss caused by the loss of the invested business           | —                | —                             |
| WPG Korea Co., Limited            | 757,261                                 | Agent and sales of electronic / electrical components | 35,396                        | Increased investment income due to investees' continued profitability | —                | —                             |

| Description<br>Item           | Closing Balance<br>of Long-term<br>Investment | Business<br>Activities                       | Profit (loss) for<br>2022<br>Amount | Reason for<br>Profits or Losses                                       | Improvement<br>plan | Other<br>Future<br>Investment<br>Plans |
|-------------------------------|-----------------------------------------------|----------------------------------------------|-------------------------------------|-----------------------------------------------------------------------|---------------------|----------------------------------------|
| WPG Investment Co., Ltd.      | 1,984,564                                     | Investment Company                           | (42,640)                            | Investment loss caused by the loss of the invested business           | —                   | —                                      |
| WPG Int'l (CI) Limited        | 8,343,376                                     | Holding Company                              | 689,452                             | Increased investment income due to investees' continued profitability | —                   | —                                      |
| Trigold Holdings Limited      | 1,271,553                                     | Investment Company                           | 186,528                             | "                                                                     | —                   | —                                      |
| WT Microelectronics Co., Ltd. | 11,952,982                                    | Trading Co.                                  | 7,631,123                           | "                                                                     |                     |                                        |
| WPG Electronics (HK) Ltd ;    | 816,629                                       | Electronic components agent for distribution | 195,088                             |                                                                       |                     |                                        |
| WPG South Asia Pte. Ltd.      | 1,156,440                                     | Sales of electronic components               | 33,000                              |                                                                       |                     |                                        |
| WPG EMEA B.V.                 | 82,290                                        | Sales of electronic components               | (46,120)                            | Investment loss caused by the loss of the invested business           |                     |                                        |

#### 7.5.2 Reinvestment Policy in the Most Recent Year

The Company's reinvestment policy focuses on reinvesting in professional distributors of electronic components, in consideration of the integration of the markets and distributed product line, and enhancement of added value of the services to achieve economy of scale in order to maintain and expand market share and profit continuously.

#### 7.5.3 Investment Plan for the Upcoming Year

As of the date of the annual report, the Company has no material investment plan.

### 7.6 Risks Assessment in the Most Recent Year and up to the Date of this Annual Report

Regarding risk management, WPG aims to focus on integrated risk management. Considering the enterprise as a whole, all levels of risk management units shall integrate risk management into regular operation management procedures through systematic risk identification, risk assessment, and risk response and monitoring to achieve organizational goals. All risk management units should also actively engage in various businesses, improve the quality and quantity of revenue, achieve resource allocation optimization, and ensure that appropriate risk awareness and culture are established and maintained throughout the organization at an acceptable level of risk.

#### 7.6.1 Impact of Interest Rate, Exchange Rate, and Inflation on the Company's Profit and Loss and Countermeasures

- Interest Rate Changes

The Company's financial cost in 2022 was NT\$4,736,235 thousand, an increase of NT\$2,653,893 thousand from 2021. The Company's bank loans are mainly due to an increase in financial costs caused by interest rate hike, and added interest expenses by 127.45%, the Company continues to reduce the impact of the changes in interest rates.

- Exchange Rate Changes

The Company operates internationally, and the main exchange rate risks come from USD and RMB. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. WPG policies require companies in the Group to manage the exchange rate risks of their corresponding functional currencies. The companies in the Group are required to hedge their entire foreign exchange risk exposure via the finance department. In order to manage the exchange rate risk from future commercial transactions and the recognized assets and liabilities, the companies in the Group use forward foreign exchange contracts through the finance department to reduce the impact of exchange rate changes on the Company's gain and loss. The profit on exchange for 2022 was NT\$404,950 thousand, accounting for 3.83% of the net profit for the period.

- Inflation

The main products distributed by the Company are semiconductor components, and the sales territory is mainly in the Asia-Pacific region. The characteristics and prices of the products sold by the Company mostly reflect the market supply and demand status and technological progress, which are updated quickly. Inflation or deflation in the various countries of the Asia-Pacific region has no significant impact on the company's 2022 annual operating results.

#### 7.6.2 Policy and Impact of High-Risk, High-Leveraged Investments, Loans to others, Endorsement and Guarantee and Financial Derivative Transactions on the Company's Profit and Loss, and Countermeasures

The Company is not engaged in high-risk and high-leveraged investment; and the Company's related procedures for loans to others, endorsement and guarantee and financial derivative transactions are based on the policies and countermeasures specified in the Company's Operational Procedures for Acquisition and Disposal of Assets, Procedures for Lending Funds to Other Parties and Procedures for Endorsements and Guarantees.

- Credit Risk

At present, in order to improve the performance of credit risk monitoring, the Company and its subsidiaries will continue to optimize the management process of credit risk control to achieve the purpose of reducing risk and protecting creditors' rights. The main focuses of credit management are 1. Customer management 2. Credit management 3. Accounts receivable management 4. Risk management. Early warning of customer risks, mastery of customer operating status, reconciliation of accounts receivable, payment and write-off operations are all management priorities.

- Quality Risks of Financial Statement Expression

Establish financial statistics analysis and inspection mechanisms, regularly educate and train accounting personnel to strengthen their understanding of the laws,

accounting and taxation, and regularly review internal control mechanisms and operating procedures.

- Risks of Capital Structure and Capital Acquisition Restrictions

Set goals for ratios of capital utilization and strengthen working capital management, etc.

#### 7.6.3 Future Plans and Expected Investments for R&D

The Company's subsidiaries establish FAE roles to support customers in product testing and design and provide or update optimal solutions for different categories of product applications from time to time to help customers reduce manufacturing costs and improve product efficiency. The research and development expenses as of the first quarter of the current year were NT\$6,283 thousand.

#### 7.6.4 Impact of Important Domestic and Foreign Policies and Laws Changes on the Company's Financial and Business, and Countermeasures

In response to the amendments of corporate governance, the Company Act and related policies by the competent authority, the Company will pay attention to the changes of the relevant laws and regulations continuously and comply with them.

#### 7.6.5 Impact of Technological (including the Risk of Information Security) and Market Changes on the Company's Financial and Business, and Countermeasures

The company operates in the midstream of the semiconductor component supply chain and adopts strategies such as expanding the product line and increasing customer coverage across various types to respond to the ever-changing semiconductor component supply and demand dynamics driven by rapid technological advancements.

Given the intense competition in the industry and the continuous acquisition activities undertaken by domestic and international counterparts to ensure market competitiveness, the company aims to maintain its leading position as the top component distribution channel in the Asia-Pacific region. To achieve this, the company will continue to pursue industry investment holdings and seek strategic alliance partnerships to increase the product line and customer coverage, thereby maintaining and expanding market share.

With the advancement of technology, the company is committed to transforming into a data-driven enterprise. Through the online digital platform, "WPGDADAWANT," the company advocates for the Logistics as a Service (LaaS) model, facilitating customers in jointly addressing the challenges of smart manufacturing.

To mitigate the significant financial impact caused by business operational disruptions and associated information security risks, the company has been implementing Cloud technology since 2018. In order to strengthen its operations, the company continues to promote cloud-based operations, migrating group information and communication services to the Cloud to enhance operational service resilience. This ensures the stable and uninterrupted provision of services while concurrently establishing diverse redundancy mechanisms to improve the service level for customers.



7.6.6 Impact of the Company's Corporate Image Change on Corporate Crisis Management and Countermeasures

The company adheres to the principle of professionalism, integrity, and sustainable management, and attaches great importance to corporate image and risk control. There is no major foreseeable crisis.

7.6.7 Expected Benefits, Possible Risks, and Countermeasures for Mergers and Acquisitions

The Company has no plans for mergers and acquisitions in the most recent year and the most recent quarter.

7.6.8 Expected Benefits, Possible Risks, and Countermeasures for Plants Expansion

The Company and its subsidiaries are not manufacturers; not applicable.

7.6.9 Risks associated with any Consolidation of Sales or Purchasing Operations and Countermeasures taken:

The Company's customers are extremely dispersed and distributed throughout the Asia-Pacific region. The products produced covered the computer peripherals, communications, consumer electronics, and automotive electronics markets. In the most recent year and the first quarter of this year, the sales amount of a single customer did not exceed 10% of the consolidated revenue; there is no risk of concentrated sales. The Company maintains good long-term relationships with suppliers; sources of supply are stable and normal.

7.6.10 Impact and Risk to the Company in the event a Major Quantity of Shares belonging to a Director, Supervisor, or Shareholder Holding greater than a 10% stake in the Company has been transferred or has otherwise changed hands, and Countermeasures to be taken: None.

7.6.11 Impact of Change in Management on the Company, the Associated Risks and Countermeasures: None.

7.6.12 For Litigious or Non-Litigious Incidents, please specify the Material Litigations that have been ruled or are in the process, Non-Litigious or Administrative Disputes for the Company and its Directors, Supervisors, President, Substantial Person in Charge, Major Shareholders holding 10% or more of Shares and Affiliates, and possible Material Impacts on the Shareholders' Rights or Prices of Securities: None.

7.6.13 Other Important Risks and Countermeasures: There is no other important risk for WPG Holdings Ltd. in 2022 and as of the date of the annual report.

## **7.7 Other Material Matters**

### **Measurement and Assumption for Asset and Liability valuation**

#### **7.7.1 Policy for Allowance for Bad Debts - Account Receivable:**

For the Group's accounts and bills receivables, after considering all reasonable and supportive information (including forecasts), if the credit risk has not increased significantly since the original recognition, the allowance is measured by the amount of 12-month expected credit losses; if the credit risk has increased significantly since the original recognition, the allowance loss is measured by the expected credit loss amount during the duration; for accounts receivable that do not contain significant financing components, the allowance is measured by the expected credit loss amount during the duration.

For accounts receivable of individual customers, assess whether there is objective evidence that impairment has occurred:

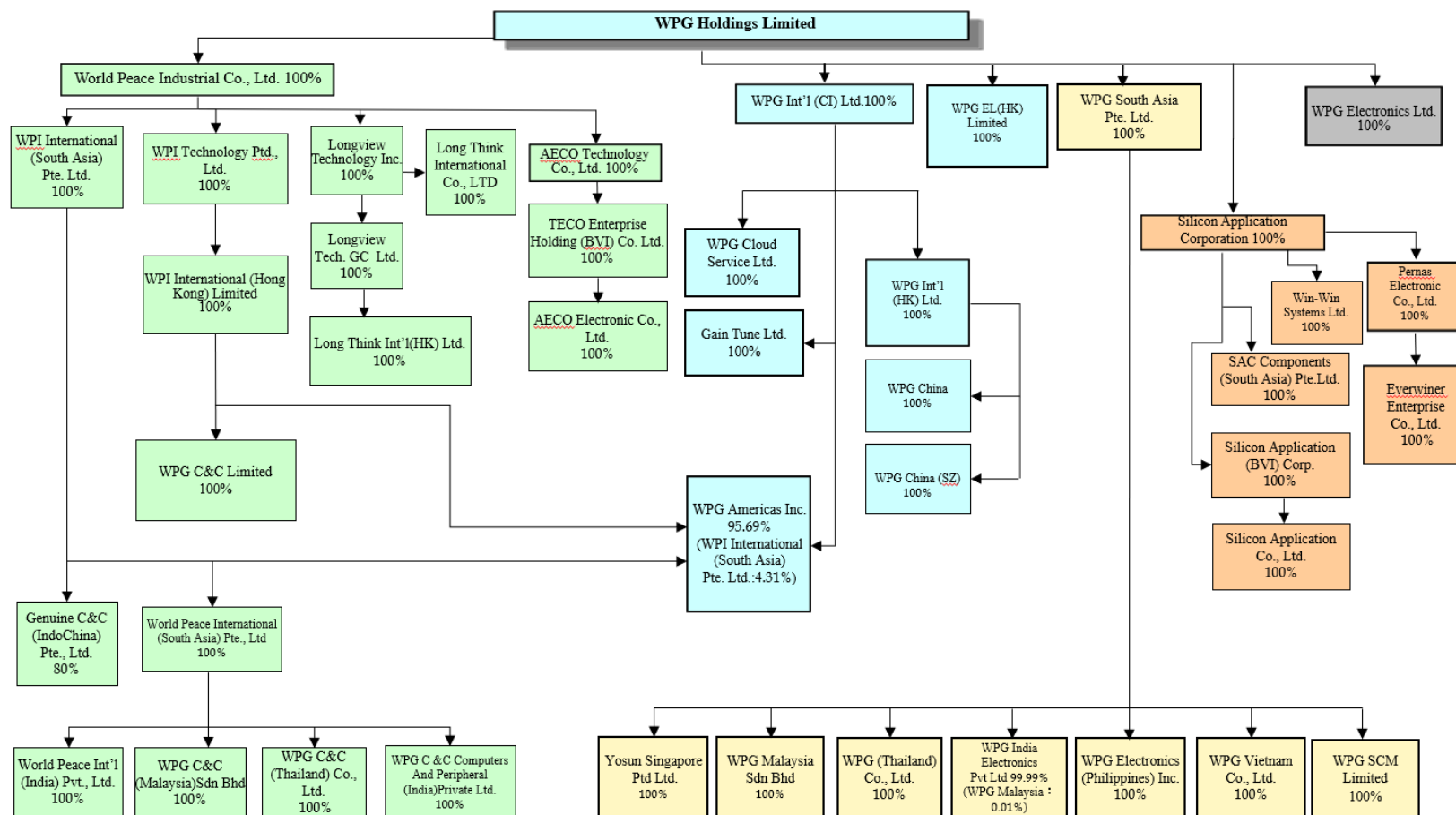
- (1) The customer has major financial difficulties
- (2) The customer has overdue payments
- (3) The customers are likely to declare bankruptcy or undergo financial reorganization.

#### **7.7.2 Policy for Provision for Loss on Inventory Devaluation:**

Inventories are measured at the lower of cost and net realizable value. Cost is determined using the weighted-average cost method. When comparing the comparative cost and the net realizable price to determine which is lower, the item-by-item comparison method is adopted. The net realizable value refers to the balance of the estimated selling price in the normal course of business less the selling expenses.

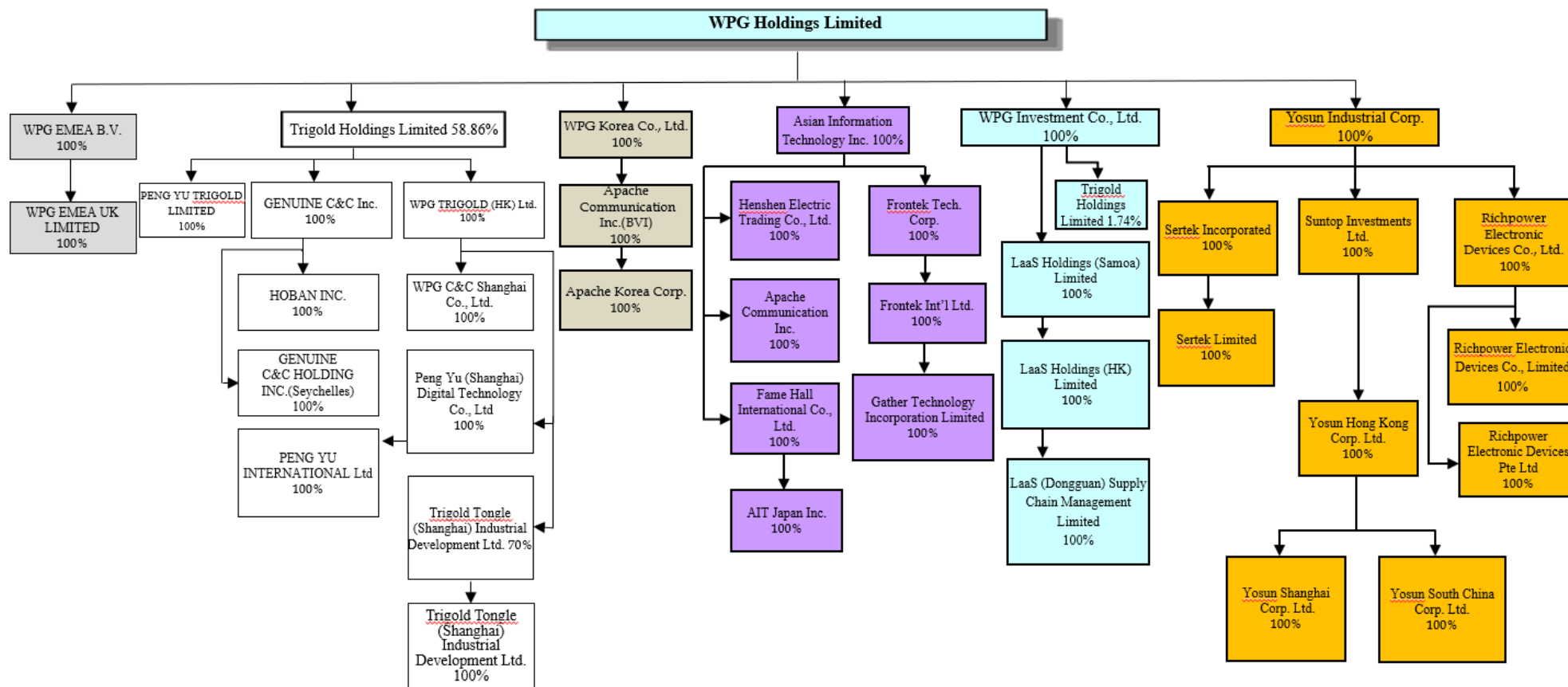
### 8.1.1Subsidiaries Chart

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### 8.1.1 Subsidiaries Chart (Continued)

December 31, 2022



### 8.1.2 List of Subsidiaries Information

December 31, 2022 Unit: NT\$ thousands unless otherwise specified

| Name                              | Date of Incorporation | Address                                                                                                 | Capital Stock      | Business Activities                                 |
|-----------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------|--------------------|-----------------------------------------------------|
| World Peace Industrial Co., Ltd.  | 1981/6/3              | 8th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                     | 18,120,000         | Agent and sales of electronic/electrical components |
| Silicon Application Corporation   | 1987/1/21             | 18th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                    | 6,503,000          | Sales of computer software and electronic products  |
| Asian Information Technology Inc. | 1993/7/29             | 13th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                    | 6,120,892          | Sales of electronic/ Electrical components          |
| Yosun Industrial Corp.            | 1980/5/30             | 16th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                    | 4,023,103          | Sales of electronic/ Electrical components          |
| WPG Electronics Ltd.              | 2002/4/22             | 22th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                    | 39,200             | Warehousing                                         |
| WPG Korea Co., Ltd.               | 2005/11/8             | (Pangyo Innvalley) B-301, 253, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, 13486, Korea            | KRW 14,797,470,000 | Agent and sales of electronic/electrical components |
| WPG International (CI) Limited    | 2007/3/1              | P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands. | USD 150,283,000    | Holding Company                                     |
| WPG Investment Co., Ltd.          | 1998/7/9              | 22th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                    | 2,100,000          | Investment Company                                  |
| Trigold Holdings Limited          | 2017/9/1              | 22th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                    | 1,005,695          | Holding Company                                     |
| WPG Electronics (HK) Ltd.         | 1997/6/6              | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong            | HKD 234,082,000    | Agent and sales of electronic/electrical component  |

| Name                                            | Date of Incorporation | Address                                                                                                 | Capital Stock   | Business Activities                                 |
|-------------------------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------|
| WPG South Asia Pte. Ltd.                        | 2006/9/20             | No. 10 Upper Aljunied Link #06-07, Singapore 367904                                                     | SGD 24,795,000  | Sales of electronic/ Electrical components          |
| WPG EMEA B.V.                                   | 2021/3/16             | Zekeringstraat 42, Amsterdam, the Netherlands.                                                          | USD 5,000,000   | Sales of electronic/ Electrical components          |
| WPG EMEA UK LIMITED (Note 1)                    | 2022/11/28            | Unit 5 Eghams Court, Boston Drive, Bourne End, Buckinghamshire SL8 5YS                                  | (Note 1)        | Sales of electronic/ Electrical components          |
| AECO Technology Co., Ltd.                       | 1975/8/8              | 6th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                     | 946,000         | Agent and sales of electronic/electrical components |
| WPI Technology Pte. Ltd. (Note 3)               | 1996/3/15             | No. 10 Upper Aljunied Link #06-07, Singapore 367904                                                     | USD 83,179,000  | Agent and sales of electronic/electrical component  |
| WPI International (South Asia) Pte.Ltd. (Note2) | 1995/5/4              | No. 10 Upper Aljunied Link #06-07, Singapore 367904                                                     | USD 34,196,000  | Agent and sales of electronic/electrical component  |
| Longview Technology Inc.                        | 1992/1/24             | 7th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                     | 339,000         | Agent and sales of electronic/electrical components |
| WPI International (Hong Kong) Limited.          | 1996/4/16             | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong            | USD 33,520,000  | Agent and sales of electronic/electrical components |
|                                                 |                       |                                                                                                         | HKD 564,306,000 |                                                     |
| World Peace International Pte Ltd (Note 2)      | 2000/6/29             | No. 10 Upper Aljunied Link #06-07, Singapore 367904                                                     | USD 30,390,000  | Holding Company                                     |
| Genuine C&C (IndoChina) Pte. Ltd.               | 2002/5/23             | No. 10 Upper Aljunied Link #06-07, Singapore 367904                                                     | USD 5,000,000   | Agent and sales of electronic/electrical components |
| World Peace International (South Asia) Pte Ltd  | 1995/5/17             | No. 10 Upper Aljunied Link #06-07, Singapore 367904                                                     | USD 21,774,000  | Agent and sales of electronic/electrical components |
| World Peace International (India) Pvt., Ltd.    | 1997/10/3             | Shed No. 26, 2nd Floor, Okhla Industrial Estate, Phase-III, New Delhi, New Delhi - 110020, Delhi, INDIA | INR 3,575,000   | Agent and sales of electronic/electrical components |

| Name                                                     | Date of Incorporation | Address                                                                                                                            | Capital Stock   | Business Activities                                 |
|----------------------------------------------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------|
| WPG C&C Computers and Peripheral (India) Private Limited | 2008/6/4              | No.26, 2nd Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020, India                                                      | INR 484,200,000 | Agent and sales of electronic/electrical components |
| WPG C&C (Malaysia) Sdn Bhd                               | 2001/1/26             | 25-4 & 27-4 (Ground Floor) Block D1, Dataran Prima, Jalan PJU 1/4, 47301 P.J., Selangor                                            | MYR 11,250,000  | Agent and sales of electronic/electrical components |
| WPG C&C (Thailand) Co., Ltd.                             | 2006/2/23             | No. 9/303-4 UM Tower, 30th Floor, Ramkhamhaeng Road, Suanlung Sub-district, Suanluang District, Bangkok, Thailand                  | BAHT 25,750,000 | Agent and sales of Information products             |
| WPG C&C Limited                                          | 2002/7/19             | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                       | USD 6,500,000   | Agent and sales of Information products             |
| WPG C&C Shanghai Co., Ltd.                               | 2005/1/13             | 3688 Jindu Rd, Minhang District, Shanghai Xinzhuang Industrial Zone, Shanghai, China                                               | USD 7,700,000   | Sales of electronic/electrical products             |
| Long Think International Co., Ltd. (Note 4)              | 2010/3/19             | 5th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                                                | 40,000          | Agent and sales of electronic/electrical components |
| Longview Technology GC Limited                           | 2012/5/10             | Commence Chambers, P.O , Tortola, Box 2208, Road Town British Virgin Islands                                                       | USD 11,300,000  | Holding Company                                     |
| Long Think Int'l (Hong Kong) Ltd.                        | 1991/5/14             | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                       | HKD 78,000,000  | Agent and sales of electronic/electrical components |
| Silicon Application (BVI) Corp.                          | 1997/6/17             | Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Islands | USD 22,000,000  | Holding Company                                     |
| Silicon Application Co., Ltd.                            | 2000/2/14             | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                       | HKD 110,000,000 | Sales of computer software and electronic products  |
| Win-Win Systems Ltd.                                     | 2000/6/20             | Intershore Chambers, P.O. Box 4342, Road Town, Tortola, British Virgin Islands                                                     | USD 765,000     | Holding Company                                     |

| Name                                    | Date of Incorporation | Address                                                                      | Capital Stock   | Business Activities                                 |
|-----------------------------------------|-----------------------|------------------------------------------------------------------------------|-----------------|-----------------------------------------------------|
| SAC Components (South Asia) Pte. Ltd.   | 2012/4/25             | No. 10 Upper Aljunied Link #06-07, Singapore 367904                          | USD 3,500,000   | Sales of computer software and electronic products  |
| Pernas Electronic Co., Ltd.             | 1984/2/14             | 18th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City         | 900,000         | Agent and sales of electronic/electrical components |
| Everwiner Enterprise Co., Ltd.          | 1998/3/31             | 18th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City         | 370,000         | Agent and sales of electronic/electrical components |
| Apache Communication Inc.               | 1998/3/9              | 10th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City         | 2,193,000       | Sales of electronic/electrical products             |
| Henshen Electric Trading Co., Ltd.      | 1978/7/7              | 13th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City         | 200,000         | Sales of electronic/electrical products             |
| Frontek Technology Corporation          | 1985/12/10            | 10th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City         | 2,500,000       | Sales of electronic/electrical products             |
| Fame Hall International Co., Ltd.       | 1998/12/7             | P.O. Box 2208,Road Town, Tortola, British Virgin Islands                     | USD 4,703,000   | Investment Company                                  |
| Frontek International Limited           | 2002/6/4              | P.O. Box 2208,Road Town, Tortola, British Virgin Islands                     | USD 2,970,000   | Investment Company                                  |
| Gather Technology Incorporation Limited | 2002/8/9              | Rm C, 21 F., No.169, Electric Road, North Point, Lee & Man Commercial Center | HKD 22,800,000  | Sales of electronic/electrical components           |
| AIT Japan Inc.                          | 2005/3/7              | 7F, Shinagawa-Gotenyama Bldg.3-6-6, Kita Shinagawa, Shinagawa-ku Tokyo Japan | JPY 300,050,000 | Sales of electronic/electrical products             |
| Richpower Electronic Devices Co., Ltd.  | 2005/1/13             | 14th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City         | 1,209,000       | Sales of electronic/electrical components           |



| Name                                      | Date of Incorporation | Address                                                                                                                       | Capital Stock     | Business Activities                                   |
|-------------------------------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------------------------|
| Sertek Incorporated.                      | 1983/3/23             | 15th Floor, No. 189, Jingmao 2nd Road, Nangang District, Taipei City                                                          | 948,281           | Sales of electronic/electrical components             |
| Sertek Limited                            | 1988/12/2             | Room 901, Central, YipFung Building 2-12 D'Aguilar Street, Hong Kong                                                          | HKD 19,500,000    | Sales of electronic/electrical components             |
| Suntop Investments Limited                | 1997/7/18             | The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman, KY1-1208, Cayman Islands | USD 50,700,000    | Investment Company                                    |
| Richpower Electronic Devices Co., Limited | 1998/5/27             | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                  | HKD 63,000,000    | Sales of electronic/electrical products               |
| Richpower Electronic Devices Pte., Ltd.   | 2004/8/6              | No. 10 Upper Aljunied Link #06-07, Singapore 367904                                                                           | SGD 100,000       | Sales of electronic/electrical products               |
| Yosun Hong Kong Corp. Ltd.                | 1995/4/13             | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                  | HKD 303,220,000   | Sales of electronic/electrical components             |
| Yosun Shanghai Corp. Ltd.                 | 2002/4/24             | Rm 529, 5F., No. 88, Taigu Rd, China (Shanghai) Pilot Free Trade Zone                                                         | USD 7,700,000     | Warehouse business and sales of electronic components |
| Yosun South China Corp. Ltd.              | 1999/10/12            | Room 903 & 904, 9F., No.2, Cadre Group Center, No.168, Tongsha Road, Xili Town, Nanshan District, Shenzhen                    | USD 4,300,000     | Sales of electronic/electrical components             |
| Apache Communication Inc.(B.V.I.)         | 2000/1/4              | 3rd Floor, J & C Building, P.O. Box 362, Road Town, Tortola, British Virgin Islands                                           | USD 2,795,000     | Investment Company                                    |
| Apache Korea Corp.                        | 2003/8/8              | (Pangyo Innovalley)B-301,253, Pangyo-ro, Bundang-gu, Seongnam-si, Gyeonggi-do, 13486, Korea                                   | KRW 1,054,910,000 | Sales of electronic/electrical products               |
| WPG International (Hong Kong) Limited     | 2007/6/5              | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                  | USD 92,172,000    | Holding Company                                       |

| Name                               | Date of Incorporation | Address                                                                                                                            | Capital Stock   | Business Activities                                  |
|------------------------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------------------------------|
| WPG Americas Inc.                  | 2006/5/16             | 1735 TECHNOLOGY DRIVE, SUITE 770, SAN JOSE, CA 95110                                                                               | USD 66,100,000  | Agent and sales of electronic/electrical components  |
| WPG Cloud Service Ltd.             | 2012/9/4              | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                       | USD 2,157,000   | General trading                                      |
| WPG Gain Tune Ltd.                 | 1986/2/18             | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                       | USD 1,000,000   | Agent for selling electronic/electrical components   |
| WPG China Inc.                     | 1995/3/16             | B part, 6F., Jialisl Building, No.191, Rijng Rd, Pudong, Shanghai Pilot Free Trade Zone, Shanghai, China                           | USD 58,280,000  | Sales of electronic/electrical components            |
| WPG China (SZ) Inc.                | 2000/7/7              | 3-5 F. & 8F. & 12-14 F., No.2, Kai Da Er Building, No.168, TongSha Road, XiLi Street, Nanshan, Shenzhen, P.R.C                     | HKD 37,000,000  | Sales of computer software and electronic components |
| WPG Malaysia Sdn Bhd               | 1995/10/18            | 25-4 & 27-4, Block D1, Dataran Prima, Jalan PJU 1/41, 47301 Petaling Jaya, Selangor, Malaysia                                      | MYR 1,011,000   | Agent and sales of electronic/electrical components  |
| WPG (Thailand) Co., Ltd.           | 1995/11/28            | No. 9/303-4 UM Tower, 30th Floor, Ramkhamhaeng Road, Suanlung Sub-district, Suanluang District, Bangkok, Thailand                  | BAHT 10,372,000 | Agent and sales of electronic/electrical components  |
| WPG India Electronics Pvt Ltd      | 2011/3/4              | No.26, 2nd Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020, .India                                                     | INR 159,100,000 | Agent and sales of electronic/electrical components  |
| WPG Electronics (Philippines) Inc. | 1999/9/2              | Unit 501 Richville Corporate Centre, #1314 Commerce Ave. Ext., Madrigal Business Park, Ayala Alabang, Muntinlupa, 1780 Philippines | PHP 1,000,000   | Agent and sales of electronic/electrical components  |
| WPG Vietnam Company Limited        | 2019/10/25            | 22 Street 16, Tan Hung, Him Lam District 7, Ho Chi Minh City Vietnam                                                               | USD 100,000     | Agent and sales of electronic/electrical components  |
| WPG SCM Limited                    | 2001/12/12            | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong                                       | USD 1,641,000   | Agent and sales of electronic/electrical components  |

| Name                                                  | Date of Incorporation | Address                                                                                      | Capital Stock   | Business Activities                                 |
|-------------------------------------------------------|-----------------------|----------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------|
| Yosun Singapore Pte Ltd.                              | 1991/2/14             | No. 10 Upper Aljunied Link #06-07, Singapore 367904                                          | SGD 20,600,000  | Trading of electronic/electrical products           |
| Teco Enterprise Holding (BVI) Co., Ltd.               | 2002/4/19             | Commence Chambers P.O.Box 2208 Road                                                          | USD 12,610,000  | Investment Company                                  |
| AECO Electronic Co., Ltd.                             | 2002/5/2              | Units 07-11, 15/F, CDW Building, 388 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong | HKD 98,280,000  | Trading of electronic/electrical products           |
| Hoban Inc.                                            | 1999/4/10             | 3F., No. 36, Ln. 66, Ruiguang Rd., Neihu Dist., Taipei City                                  | 130,000         | E-commerce company operating B2C and O2O businesses |
| Genuine C&C Holding Inc. (Seychelles)                 | 2011/6/22             | No.4, Franky Building, Providence Industrial Estate, Mahe, Seychelles                        | USD 6,500,000   | Holding Company                                     |
| Peng Yu (Shanghai) Digital Technology Co., Ltd.       | 2014/5/30             | Rm 517, 5F., No. 88, Taigu Rd, China (Shanghai) Pilot Free Trade Zone                        | RMB 22,500,000  | Sales of electronics products                       |
| WPG Trigold (Hong Kong) Limited.                      | 2017/11/6             | UNITS 07-11, 15/F CDW BLDG 388 CASTLE PEAK RD TSUEN WAN HONG KONG                            | HKD 155,200,000 | Holding Company                                     |
| GENUINE C&C Inc.                                      | 1988/11/30            | No. 36, Ln. 66, Ruiguang Rd., Neihu Dist., Taipei City                                       | 795,695         | Sales of computer and its peripherals               |
| Peng Yu International Ltd.                            | 2017/3/28             | UNITS 07-11, 15/F CDW BLDG 388 CASTLE PEAK RD TSUEN WAN HONG KONG                            | USD 10,000      | Sales of electronic/electrical products             |
| Trigolduo (Shanghai) Industrial Development Ltd.      | 2019/1/31             | Rm 701, No. 37, Aly. 1555, Jin Sha Jiang West Rd, Jiading Dist., Shanghai, China             | RMB 20,000,000  | Children's indoor theme park                        |
| Trigold Tongle (Shanghai) Industrial Development Ltd. | 2019/3/25             | F302, No. 1569, Mu Dan Jiang Lu, Baoshan Dist., Shanghai, China                              | RMB 1,500,000   | Children's indoor theme park                        |

| Name                                                     | Date of Incorporation | Address                                                                                     | Capital Stock  | Business Activities                            |
|----------------------------------------------------------|-----------------------|---------------------------------------------------------------------------------------------|----------------|------------------------------------------------|
| PENG YU TRIGOLD LIMITED                                  | 2021/1/6              | UNITS 07-11, 15/F CDW BLDG 388 CASTLE PEAK RD TSUEN WAN HONG KONG                           | USD 2,000,000  | Sales of electronic/electrical products        |
| LaaS Holdings (Samoa) Limited                            | 2020/06/02            | Portcullis Chambers, P.O.BOX 1225, Apia, Samoa                                              | USD 40,060,000 | Holding Company                                |
| LaaS Holdings (HK) Limited                               | 2020/06/30            | 806-807, 8/F, One Pacific Place, 88 Queensway, Hong Kong                                    | USD 40,050,000 | Holding Company                                |
| LaaS Holdings (Dongguan) Supply Chain Management Limited | 2020/08/02            | Room 701, Block 5, No.2 Bao Shui Huan Road, Shatian Town, Dongguan City, Guangdong Province | USD 40,000,000 | Smart warehousing value-added service industry |

Note 1: WPG EMEA UK LIMITED was established in November 2022, a limited company with no issued shares, nor paid-in capital.

Note 2 : WPI International ( South Asia ) Pte. Ltd. merged with World Peace International Pte Ltd.. Merger based standards for both was on January 1<sup>st</sup>, 2022 and the later became a dissolved company.

Note 3 : WPI Investment Holding Company Pte. Ltd. was renamed WPI Technology Pte. Ltd. in August, 2022.

Note 4 : Long Think International Co., Ltd dealt with liquidation and dissolution in December 2022, and still not finished in the final day of the year.

8.1.3 Shareholders in Common of WPG and Its Subsidiaries with Deemed Control and Subordination: None.

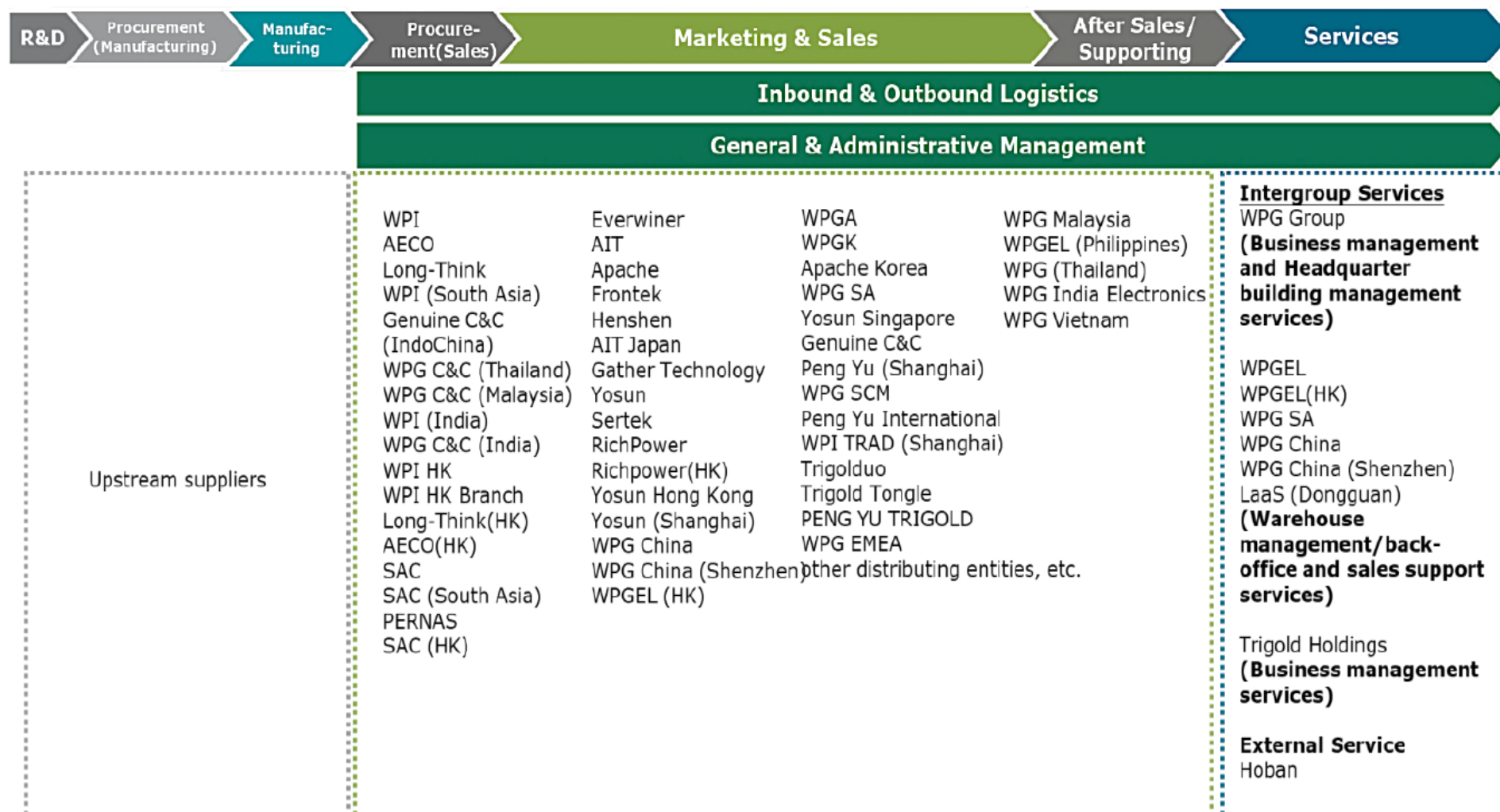
8.1.4 Business Scope of WPG and Its Subsidiaries: The businesses scope of WPG and its Subsidiaries includes electronic component distribution, holding companies, general investment business, and information software service business, etc.

In order to facilitate seamless integration between various affiliated entities and the group's internal information systems and warehouse logistics management systems, the group has implemented a comprehensive information management system internally. This system enables the group to promptly respond to and fulfill customer demands in different regions, ensuring timely responsiveness and supply fulfillment.

The allocation of tasks among the respective affiliated companies is described as shown in the following diagram:

## 8.1.5 Rosters of Directors, Supervisors, and Presidents of WPG's Subsidiaries

December 31, 2022



| Name of Company                   | Title                                                                            | Name or Representative                                                                                                                                                                                                                                                                                                                       | Shareholding                   |         |
|-----------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------|
|                                   |                                                                                  |                                                                                                                                                                                                                                                                                                                                              | Shares                         | %       |
| World Peace Industrial Co., Ltd.  | Chairman<br>Chairman/President<br>Director<br>Director<br>Director<br>Supervisor | Mike Chang (Representative of WPG Holdings Limited)<br>Hsu Chu Hung (Representative of WPG Holdings Limited)<br>Simon Huang (Representative of WPG Holdings Limited)<br>Eric Ho (Representative of WPG Holdings Limited)<br>Michael Chen (Representative of WPG Holdings Limited)<br>Cliff Yuan (Representative of WPG Holdings Limited)     | WPG holds 1,812,000,000 shares | 100.00% |
| Silicon Application Corporation   | Chairman<br>Director<br>Chairman/CEO<br>Director<br>Director<br>Supervisor       | K.Y. Chen (Representative of WPG Holdings Limited)<br>Simon Huang (Representative of WPG Holdings Limited)<br>Chen Ming-Chi (Representative of WPG Holdings Limited)<br>Mike Chang (Representative of WPG Holdings Limited)<br>Lin Yu-Sheng (Representative of WPG Holdings Limited)<br>Cliff Yuan (Representative of WPG Holdings Limited)  | WPG holds 650,300,000 shares   | 100.00% |
| Asian Information Technology Inc. | Chairman<br>Director<br>Director<br>Director<br>Director<br>Supervisor           | Hsu Ming-Jen (Representative of WPG Holdings Limited)<br>Mike Chang (Representative of WPG Holdings Limited)<br>Hsu Yu-Kun (Representative of WPG Holdings Limited)<br>Simon Huang (Representative of WPG Holdings Limited)<br>Vincent Lin (Representative of WPG Holdings Limited)<br>Cliff Yuan (Representative of WPG Holdings Limited)   | WPG holds 612,089,200 shares   | 100.00% |
| Yosun Industrial Corporation      | Chairman<br>Director<br>Director<br>Director<br>Director<br>Supervisor           | K.D. Tsung (Representative of WPG Holdings Limited)<br>Simon Huang (Representative of WPG Holdings Limited)<br>Mike Chang (Representative of WPG Holdings Limited)<br>Mitchell Ho (Representative of WPG Holdings Limited)<br>Chang Chih-Wen (Representative of WPG Holdings Limited)<br>Cliff Yuan (Representative of WPG Holdings Limited) | WPG holds 402,310,300 shares   | 100.00% |
| WPG Electronics Ltd.              | Chairman<br>Director<br>Director<br>Supervisor                                   | Simon Huang (Representative of WPG Holdings Limited)<br>Yang Tsung-Po (Representative of WPG Holdings Limited)<br>Frank Yeh (Representative of WPG Holdings Limited)<br>Cliff Yuan (Representative of WPG Holdings Limited)                                                                                                                  | WPG holds 3,920,000 shares     | 100.00% |
| WPG South Asia Pte. Ltd.          | Director<br>Director\<br>Director                                                | Tan Say Chong<br>Chai Kim Yin<br>Huang Wei-Hsiang                                                                                                                                                                                                                                                                                            | WPG holds 34,119,105 shares    | 100.00% |
| WPG Korea Co., Ltd.               | Representative<br>Director                                                       | Kwak, Choong-Pyo<br>Simon Huang                                                                                                                                                                                                                                                                                                              | WPG holds 2,959,494 shares     | 100.00% |

| Name of Company                   | Title                                                                                                                          | Name or Representative                                                                                                                                                                                                                                                   | Shareholding                                                               |                         |
|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------|
|                                   |                                                                                                                                |                                                                                                                                                                                                                                                                          | Shares                                                                     | %                       |
|                                   | Director<br>Supervisor                                                                                                         | Chai Kim Yin<br>Cliff Yuan                                                                                                                                                                                                                                               |                                                                            |                         |
| WPG International (CI) Limited    | Director<br>Director                                                                                                           | Simon Huang<br>Cliff Yuan                                                                                                                                                                                                                                                | WPG holds 150,282,520 shares                                               | 100.00%                 |
| WPG Investment Co., Ltd.          | Chairman<br>Director<br>Director<br>Supervisor                                                                                 | Simon Huang (Representative of WPG Holdings Limited)<br>Cliff Yuan (Representative of WPG Holdings Limited)<br>Lucia Tai (Representative of WPG Holdings Limited)<br>Wade Chiu (Representative of WPG Holdings Limited)                                                  | WPG holds 210,000,000 shares                                               | 100.00%                 |
| Trigold Holdings Limited          | Chairman/President<br>Director<br>Director<br>Director<br>Independent Director<br>Independent Director<br>Independent Director | Simon Huang (WPG Holdings Limited)<br>Yeh Chi-Tung<br>K.D. Tsung (WPG Holdings Limited)<br>Benson Chang (WPG Holdings Limited)<br>Guo, Cing-Huei<br>Chen, Shih-Chieh<br>Chen Wei-Shen                                                                                    | WPG holds 59,195,189 shares<br>WPG Investment Co., .holds 1,749,979 shares | 58.86%<br>1.74%         |
| WPG Electronics (HK) Ltd.         | Director<br>Director<br>Director                                                                                               | Simon Huang<br>Shiwei Rao<br>Mike Chang                                                                                                                                                                                                                                  | WPG holds 234,081,858 shares                                               | 100.00%                 |
| WPG EMEA B.V                      | Director<br>Director<br>Director                                                                                               | Chai Kim Yin<br>van den Dolder, Meine<br>Cliff Yuan                                                                                                                                                                                                                      | WPG holds 5,000,000 shares                                                 | 100.00%                 |
| WPG EMEA UK LIMITED (Note 2)      | Director<br>Director<br>Director                                                                                               | Chai Kim Yin<br>Libra Yao<br>Nigel Watts                                                                                                                                                                                                                                 | — (Note 1)                                                                 | WPG EMEA B.V holds 100% |
| AECO Technology Co., Ltd.         | Chairman<br><br>Director<br>Director<br>Supervisor                                                                             | Hsu Chu Hung (Representative of World Peace Industrial Co., Ltd.)<br>Michael Chen (Representative of World Peace Industrial Co., Ltd.)<br>Eric Ho (Representative of World Peace Industrial Co., Ltd.)<br>Libra Yao (Representative of World Peace Industrial Co., Ltd.) | World Peace holds 94,600,000 shares                                        | 100.00%                 |
| WPI Technology Pte. Ltd.( Note 4) | Director\<br>Director<br>Director                                                                                              | Mike Chang<br>CHAI KIM YIN<br>Libra Yao                                                                                                                                                                                                                                  | World Peace holds 83,179,435 shares                                        | 100.00%                 |

| Name of Company                                          | Title                                                    | Name or Representative                                                                                                                                                                                                                                                   | Shareholding                                                                           |                 |
|----------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-----------------|
|                                                          |                                                          |                                                                                                                                                                                                                                                                          | Shares                                                                                 | %               |
| WPI International (South Asia) Pte.Ltd.                  | Director<br>Director<br>Director                         | Chai Kim Yin<br>Mike Chang<br>IJ Hsu                                                                                                                                                                                                                                     | World Peace holds 34,196,393 shares                                                    | 100.00%         |
| Longview Technology Inc.                                 | Chairman/President<br>Director<br>Director<br>Supervisor | Hsu Chu Hung (Representative of World Peace Industrial Co., Ltd.)<br>Eric Ho (Representative of World Peace Industrial Co., Ltd.)<br>Michael Chen (Representative of World Peace Industrial Co., Ltd.)<br>Libra Yao (Representative of World Peace Industrial Co., Ltd.) | World Peace holds 33,900,000 shares                                                    | 100.00%         |
| WPI International (Hong Kong) Limited                    | Director<br>Director<br>Director                         | Eric Ho<br>Hsu Chu Hung<br>Michael Chen                                                                                                                                                                                                                                  | WPI Investment holds 4,053,564,000 shares                                              | 100.00%         |
| World Peace International Pte Ltd (Note 3)               | Director<br>Director                                     | Chai Kim Yin<br>Mike Chang                                                                                                                                                                                                                                               | i. (Note 3)                                                                            | —               |
| Genuine C&C (Indochina) Pte. Ltd.                        | Director<br>Director<br>Director                         | Tan Yew Teck<br>Tan Sze Chuarn<br>Chai Kim Yin                                                                                                                                                                                                                           | World Peace Int'l (SA) holds 5,359,370 shares                                          | 80.00%          |
| World Peace International (South Asia) Pte Ltd.          | Director<br>Director<br>Director                         | Tan Yew Teck<br>Chai Kim Yin<br>Mike Chang                                                                                                                                                                                                                               | World Peace Int'l (SA) holds 34,314,692 shares                                         | 100.00%         |
| World Peace International (India) Pvt., Ltd.             | Director<br>Director<br>Director<br>Director             | Chai Kim Yin<br>Rick Tan<br>Jason Saw<br>Kashinath Karekar                                                                                                                                                                                                               | World Peace Int'l (SA) holds 3,575,058 shares                                          | 100.00%         |
| WPG C&C Computers and Peripheral (India) Private Limited | Director<br>Director<br>Director                         | Tan Sze Chuarn<br>Rajeev Bajpai<br>Chai Kim Yin                                                                                                                                                                                                                          | World Peace Int'l (SA) holds 48,420,000 shares<br>World Peace Int'l holds 5,000 shares | 99.00%<br>1.00% |



| Name of Company                                 | Title                                                                  | Name or Representative                                                                                                                                                                                                                    | Shareholding                                                                                                                                   |                                              |
|-------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
|                                                 |                                                                        |                                                                                                                                                                                                                                           | Shares                                                                                                                                         | %                                            |
| WPG C&C (Malaysia) Sdn Bhd                      | Director<br>Director<br>Director<br>Director                           | Tan Sze Chuarn<br>Chai Kim Yin<br>Wendy Tiong Siew Ling<br>Hia Bun Ching                                                                                                                                                                  | World Peace Int'l (SA) holds<br>11,250,000 shares                                                                                              | 100%                                         |
| WPG C&C (Thailand) Co., Ltd.                    | Director<br>Director<br>Director                                       | Chai Kim Yin<br>Tan Sze Chuarn<br>Sopanarat Sintavanon                                                                                                                                                                                    | 1,000 shares<br>1,000 shares<br>360,000 shares<br>Lumphuan Srisurat(staff)<br>150,000 shares<br>World Peace Int'l (SA) holds<br>488,000 shares | 0.10%<br>0.10%<br>36.00%<br>15.00%<br>48.80% |
| WPG C&C Limited                                 | Director<br>Director<br>Director                                       | Ho Hsiang Chou<br>Hsu Chu Hung<br>Chen Ting Tsung                                                                                                                                                                                         | WPI Int'l (HK) Ltd. holds<br>6,500,000 shares                                                                                                  | 100.00%                                      |
| WPG C&C Shanghai Co., Ltd.                      | Chairman/Legal<br>Representative<br>Director<br>Director<br>Supervisor | Tsao Tai-Sun<br>Simon Huang<br>Chung Pei-Yuan<br>C.C. Tsao.                                                                                                                                                                               | — (Note 1)                                                                                                                                     | WPG TRIGOLD<br>(HK) Ltd. holds<br>100.00%    |
| Long Think International Co., Ltd.<br>(Note 5)  | Chairman<br>Director<br>Director<br>Supervisor                         | Hsu Chu Hung (Representative of Longview Technology Inc.)<br>Eric Ho (Representative of Longview Technology Inc.)<br>Michael Chen (Representative of Longview Technology Inc.)<br>Yao Su-Mei (Representative of Longview Technology Inc.) | Longview Technology Inc.<br>holds 4,000,000 shares                                                                                             | 100.00%                                      |
| Longview Technology GC Limited                  | Director                                                               | Hsu Chu Hung                                                                                                                                                                                                                              | Longview Technology Inc.<br>holds 11,300,000 shares                                                                                            | 100.00%                                      |
| Long-Think International (Hong<br>Kong) Limited | Director<br>Director<br>Director                                       | Hsu Chu Hung<br>Ho Hsiang Chou<br>Chen Ting Tsung                                                                                                                                                                                         | Longview Technology GC<br>holds 780,000,000 shares                                                                                             | 100.00%                                      |
| Silicon Application (BVI)<br>Corporation        | Chairman                                                               | K.Y. Chen                                                                                                                                                                                                                                 | Silicon Application Corporation<br>holds 22,000,000 shares                                                                                     | 100.00%                                      |

| Name of Company                       | Title                                                  | Name or Representative                                                                                                                                                                                                                                                             | Shareholding                                                   |         |
|---------------------------------------|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------|
|                                       |                                                        |                                                                                                                                                                                                                                                                                    | Shares                                                         | %       |
| Silicon Application Co., Ltd.         | Director<br>Director<br>Director                       | K.Y. Chen<br>Su Tein Jye<br>Chen Ming-Chih                                                                                                                                                                                                                                         | Silicon Application (BVI) Corporation holds 100,000,000 shares | 100.00% |
| Win-Win Systems Ltd.                  | Chairman                                               | K.Y. Chen                                                                                                                                                                                                                                                                          | Silicon Application Corporation holds 765,000 shares           | 100.00% |
| SAC Components (South Asia) Pte. Ltd. | Director<br>Director<br>Director<br>Director           | K.Y. Chen<br>Chen Ming Chih<br>Tan Yew Teck<br>Chai Kim Yin                                                                                                                                                                                                                        | Silicon Application Corporation holds 3,500,000 shares         | 100.00% |
| Pernas Electronics Co., Ltd.          | Chairman<br>Director<br><br>Director<br><br>Supervisor | K.Y. Chen (Representative of Silicon Application Corporation)<br>Chen Ming-Chi (Representative of Silicon Application Corporation)<br>Wu Yung-Chang (Representative of Silicon Application Corporation)<br>Lin Yu-Sheng (Representative of Silicon Application Corporation)        | Silicon Application Corporation holds 90,000,000 shares        | 100.00% |
| Everwiner Enterprise Co., Ltd.        | Chairman<br>Director<br>Director<br>Supervisor         | K.Y. Chen (Representative of Pernas Electronics Co., Ltd)<br>Chen Ming-Chi (Representative of Pernas Electronics Co., Ltd)<br>Wu Yung-Chang (Representative of Pernas Electronics Co., Ltd)<br>Lin Yu-Sheng (Representative of Pernas Electronics Co., Ltd)                        | Pernas Electronics Co., Ltd. holds 37,000,000 shares           | 100.00% |
| Apache Communication Inc.             | Chairman<br><br>Director<br>Director<br>Supervisor     | Hsu Ming-Jen (Representative of Asian Information Technology Inc.)<br>Vincent Lin (Representative of Asian Information Technology Inc.)<br>Hsu Yu-Kun (Representative of Asian Information Technology Inc.)<br>Huang Shu-Pin (Representative of Asian Information Technology Inc.) | Asian Information Technology Inc. holds 219,300,000 shares     | 100.00% |

| Name of Company                         | Title      | Name or Representative                                              | Shareholding                                                                       |              |
|-----------------------------------------|------------|---------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------|
|                                         |            |                                                                     | Shares                                                                             | %            |
| Henshen Electric Trading Co., Ltd.      | Chairman   | Hsu Ming-Jen (Representative of Asian Information Technology Inc.)  | Asian Information Technology Inc. holds 20,000,000 shares                          | 100.00%      |
|                                         | Director   | Vincent Lin (Representative of Asian Information Technology Inc.)   |                                                                                    |              |
|                                         | Director   | Hsu Yu-Kun (Representative of Asian Information Technology Inc.)    |                                                                                    |              |
|                                         | Supervisor | Huang Shu-Pin (Representative of Asian Information Technology Inc.) |                                                                                    |              |
| Frontek Technology Corporation          | Chairman   | Hsu Ming-Jen (Representative of Asian Information Technology Inc.)  | Asian Information Technology Inc. holds 250,000,000 shares                         | 100.00%      |
|                                         | Director   | Vincent Lin (Representative of Asian Information Technology Inc.)   |                                                                                    |              |
|                                         | Director   | Hsu Yu-Kun (Representative of Asian Information Technology Inc.)    |                                                                                    |              |
|                                         | Supervisor | Huang Shu-Pin (Representative of Asian Information Technology Inc.) |                                                                                    |              |
| Fame Hall International Co., Ltd        | Director   | Hsu Yu-Kun<br>Huang Shu-Pin                                         | Asian Information Technology Inc. holds 4,703,107 shares                           | 100.00%      |
|                                         | Director   |                                                                     |                                                                                    |              |
| Frontek International Limited           | Director   | Hsu Yu-Kun<br>Huang Shu-Pin                                         | Frontek Technology Corporation holds 2,970,000 shares                              | 100.00%      |
|                                         | Director   |                                                                     |                                                                                    |              |
| Gather Technology Incorporation Limited | Director   | Hsu Ming-Jen                                                        | Hsu Yu-Kun holds 1 share.<br>Frontek International Limited holds 22,799,999 shares | —<br>100.00% |
|                                         | Director   | Hsu Yu-Kun                                                          |                                                                                    |              |
|                                         | Director   | Vincent Lin                                                         |                                                                                    |              |
| AIT Japan Inc.                          | Director   | Hsu Yu-Kun                                                          | Fame Hall International Co., Ltd holds 6,001 shares                                | 100.00%      |
|                                         | Director   | Hsu Ming-Jen                                                        |                                                                                    |              |
|                                         | Director   | Huang Kuo-Chen                                                      |                                                                                    |              |
|                                         | Director   | Masafumi Nakano                                                     |                                                                                    |              |
|                                         | Supervisor | Huang Shu-Pin                                                       |                                                                                    |              |

| Name of Company                           | Title                                                        | Name or Representative                                                                                                                                                                                                                                             | Shareholding                                                   |                        |
|-------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------|
|                                           |                                                              |                                                                                                                                                                                                                                                                    | Shares                                                         | %                      |
| Richpower Electronic Devices Co., Ltd.    | Chairman/President<br>Director<br>Director<br><br>Supervisor | K.D. Tsung (Representative of Yosun Industrial Corporation)<br>Wu Sheng-Ming (Representative of Yosun Industrial Corporation)<br>Chang Chih-Wen (Representative of Yosun Industrial Corporation)<br>Liu Hung-An (Representative of Yosun Industrial Corporation)   | Yosun Industrial Corporation holds 120,900,000 shares          | 100.00%                |
| Sertek Incorporated                       | Chairman/President<br>Director<br>Director<br>Supervisor     | K.D. Tsung (Representative of Yosun Industrial Corporation)<br>Chang Chih-Wen (Representative of Yosun Industrial Corporation)<br>Chiang Chun-Hui (Representative of Yosun Industrial Corporation)<br>Liu Hung-An (Representative of Yosun Industrial Corporation) | Yosun Industrial Corporation holds 94,828,100 shares           | 100.00%                |
| Sertek Limited                            | Director<br>Director                                         | K.D. Tsung<br>Chang Chih-Wen                                                                                                                                                                                                                                       | Sertek Ltd. holds 19,500,000 shares                            | 100.00%                |
| Suntop Investments Limited                | Director                                                     | K.D. Tsung (Representative of Yosun Industrial Corporation)                                                                                                                                                                                                        | Yosun Industrial Corporation holds 50,700,000 shares           | 100.00%                |
| Richpower Electronic Devices Co., Limited | Director<br>Director                                         | K.D. Tsung<br>Ho, Peng-Hsiung                                                                                                                                                                                                                                      | Richpower Electronic Devices Co., Ltd. holds 63,000,000 shares | 100.00%                |
| Richpower Electronic Devices Pte., Ltd.   | Director<br>Director                                         | Ho, Peng-Hsiung<br>Chai Kim Yin                                                                                                                                                                                                                                    | Richpower Electronic Devices Co., Ltd holds 10,000 shares      | 100.00%                |
| Yosun Hong Kong Corp. Ltd.                | Director<br>Director                                         | K.D. Tsung<br>Chang Chih-Wen                                                                                                                                                                                                                                       | Suntop Investments holds 295,270,000 shares                    | 100.00%                |
| Yosun Shanghai Corp. Ltd.                 | Chairman/Legal Representative<br>Director<br>Director        | Chen Chien-Chung<br><br>Wu Yu-Jie<br>Wang Tai An                                                                                                                                                                                                                   | — (Note 1)                                                     | Yosun HK holds 100.00% |

| Name of Company                       | Title                                                               | Name or Representative                                                  | Shareholding                                                                                                                                                    |                                   |
|---------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
|                                       |                                                                     |                                                                         | Shares                                                                                                                                                          | %                                 |
| Yosun South China Corp. Ltd.          | Chairman/Legal Representative<br>Director<br>Director               | Ou Tung-Kuan<br>Liang Kuo-Chen<br>Li Tao-Jui                            | — (Note 1)                                                                                                                                                      | Yosun HK holds 100.00%            |
| Apache Communication Inc.(B.V.I.)     | Director                                                            | WPG Korea Co., Ltd.                                                     | WPG Korea holds 2,795,000 shares                                                                                                                                | 100.00%                           |
| Apache Korea Corp.                    | Representative<br>Director<br>Director<br>Supervisor                | CP Kwak<br>KJ Jung<br>James Park<br>Gang Li                             | Apache Communication Inc. holds 210,982 share                                                                                                                   | 100.00%                           |
| WPG International (Hong Kong) Limited | Director<br>Director                                                | Simon Huang<br>Cliff Yuan                                               | WPG International (CI) holds 717,238,341 shares                                                                                                                 | 100.00%                           |
| WPG Americas Inc.                     | Director<br>Director<br>Director<br>Director<br>Director            | Yao Su-Mei<br>Mike Chang<br>Simon Huang<br>I.J. Hsu<br>Richard J. Davis | WPI Int'l (Sonth Asia) Pte Ltd. holds 6,100,000 shares<br>World Peace Int'l (HK) Ltd. holds 4,000,000 shares<br>WPG International (CI) holds 224,000,000 shares | 2.60%<br>1.71%<br>95.69%          |
| WPG Cloud Service Ltd.                | Director<br>Director<br>Director                                    | Simon Huang<br>Mike Chang<br>Frank Yeh                                  | WPG International (CI) holds 2,157,130 shares                                                                                                                   | 100.00%                           |
| WPG Gain Tune Ltd.                    | Director<br>Director<br>Director                                    | Mike Chang<br>Frank Yeh<br>Cliff Yuan                                   | WPG International (CI) Ltd holds 77,500,000 shares                                                                                                              | 100.00%                           |
| WPG China Inc.                        | Director/Legal Representative<br>Director<br>Director<br>Supervisor | Jao Shih-Wei<br><br>Simon Huang<br>Mike Chang<br>Cliff Yuan             | — (Note 1)                                                                                                                                                      | WPG International (HK) holds 100% |

| Name of Company                    | Title                                                               | Name or Representative                                                                          | Shareholding                                                                                                                                                                                                   |                                                        |
|------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
|                                    |                                                                     |                                                                                                 | Shares                                                                                                                                                                                                         | %                                                      |
| WPG China (SZ) Inc.                | Director/Legal Representative<br>Director<br>Director<br>Supervisor | Jao Shih-Wei<br><br>Simon Huang<br>Mike Chang<br>Cliff Yuan                                     | — (Note 1)                                                                                                                                                                                                     | WPG International (HK) holds 100%                      |
| WPG Malaysia Sdn Bhd               | Director<br>Director<br>Director<br>Director                        | Chai Kim Yin<br>Hia Bun Ching<br>Tan Say Chong<br>Wong Boon Hee                                 | WPG South Asia holds 1,010,800 shares                                                                                                                                                                          | 100.00%                                                |
| WPG (Thailand) Co., Ltd.           | Director<br>Director                                                | Chai Kim Yin<br>Sopanarat Sintavanon                                                            | WPG South Asia holds 40,451 shares<br>Chai Kim Yin holds 5,186 shares<br>Sopanarat Sintavanon (staff) holds 31,116 shares<br>Lumphuan Srisurat (staff) holds 21,781 shares<br>Tan Say Chong holds 5,186 shares | 100.00%                                                |
| WPG India Electronics Pvt Ltd      | Director<br>Director<br>Director                                    | Chai Kim Yin<br>Tan Say Chong<br>Karekar Kashinath Arvind                                       | WPG South Asia holds 15,909,990 shares<br>WPG Malaysia Sdn. Bhd. holds 10 shares                                                                                                                               | 99.99%<br>0.01%                                        |
| WPG Electronics (Philippines) Inc. | Director<br>Director<br>Director<br>Director<br>Director            | Tan Say Chong<br>Nelissa Senido<br>Eulalio R. Villanueva<br>Aquino, Eduardo Jr.<br>Chai Kim Yin | 100 shares<br>2,000 shares<br>2,000 shares<br>2,000 shares<br>100 shares<br>WPG South Asia holds 3,800 shares                                                                                                  | 1.00%<br>20.00%<br>20.00%<br>20.00%<br>1.00%<br>38.00% |
| WPG Vietnam Company Limited        | Director<br>Director<br>Director                                    | Chai Kim Yin<br>Tan Say Chong<br>Hia Bun Ching                                                  | 50,000 shares<br>49,000 shares<br>1,000 shares                                                                                                                                                                 | 50.00%<br>49.00%<br>1.00%                              |

| Name of Company                                 | Title                                                               | Name or Representative                                                                                                                                                                                                                                                                           | Shareholding                                         |                                                |
|-------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------|
|                                                 |                                                                     |                                                                                                                                                                                                                                                                                                  | Shares                                               | %                                              |
|                                                 |                                                                     |                                                                                                                                                                                                                                                                                                  | WPG South Asia holds 100,000 shares                  |                                                |
| WPG SCM Ltd.                                    | Director<br>Director                                                | Chai Kim Yin<br>Mike Chang                                                                                                                                                                                                                                                                       | WPG South Asia Pte. Ltd holds 12,800,000 shares      | 100.00%                                        |
| Yosun Singapore Pte Ltd.                        | Director<br>Director<br>Director                                    | K. D. Tsung<br>Chai Kim Yin<br>Tan Yew Teck                                                                                                                                                                                                                                                      | WPG South Asia Pte.Ltd.holds 20,600,000 shares       | 100.00 %                                       |
| Teco Enterprise Holding (BVI) Co., Ltd.         | Director                                                            | Hsu Chu Hung                                                                                                                                                                                                                                                                                     | TECO holds 12,610,000 shares                         | 100.00%                                        |
| AECO Electronic Co., Ltd.                       | Director<br>Director                                                | Hsu Chu Hung<br>Chen Ting Tsung                                                                                                                                                                                                                                                                  | Teco Enterprise Holding(BVI) holds 98,280,000 shares | 100.00%                                        |
| Hoban Inc.                                      | Chairman<br>Director<br>Director<br>Supervisor                      | Yeh Chi-Tung (Representative of GENUINE C&C Inc.)<br>Gawain Chang (Representative of GENUINE C&C Inc.)<br>Hsieh Ming-Shan (Representative of GENUINE C&C Inc.)<br>Tsao Chun-Chieh (Representative of GENUINE C&C Inc.)                                                                           | GENUINE C&C Inc. holds 13,000,000 shares             | 100.00%                                        |
| Genuine C&C Holding Inc. (Seychelles)           | Director<br>Director                                                | Simon Huang<br>Yeh Chi-Tung                                                                                                                                                                                                                                                                      | GENUINE C&C Inc. holds 6,500,000 shares              | 100.00%                                        |
| Peng Yu (Shanghai) Digital Technology Co., Ltd. | Chairman/Legal Representative<br>Director<br>Director<br>Supervisor | Tsao Tai-Sun (Representative of Triglod (Hong Kong) Company Limited)<br>Simon Huang (Representative of Triglod (Hong Kong) Company Limited)<br>Chung Pei-Yuan (Representative of Triglod (Hong Kong) Company Limited)<br>Tsao Chun-Chieh (Representative of Triglod (Hong Kong) Company Limited) | —(Note 1)                                            | Triglod (Hong Kong) Company Limited holds 100% |
| Trigold (Hong Kong) Company Limited             | Director<br>Director                                                | Simon Huang<br>Tsao Chun-Chieh                                                                                                                                                                                                                                                                   | Trigold Holdings Limited holds 155,200,000 shares    | 100.00%                                        |

| Name of Company                                             | Title                                                                            | Name or Representative                                                                                                                                                                                                                                                                                                                                                  | Shareholding                                                              |                                                                         |
|-------------------------------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------|
|                                                             |                                                                                  |                                                                                                                                                                                                                                                                                                                                                                         | Shares                                                                    | %                                                                       |
| GENUINE C&C Inc.                                            | Chairman/President<br>Director<br>Director<br>Director<br>Director<br>Supervisor | Representative of Trigold Holdings Limited: Yeh Chi-Tung<br>Representative of Trigold Holdings Limited: Simon Huang<br>Representative of Trigold Holdings Limited: Benson Chang<br>Representative of Trigold Holdings Limited: Yeh Kung Tung<br>Representative of Trigold Holdings Limited: Gawain Chang<br>Representative of Trigold Holdings Limited: Tsao Chun-Chieh | Trigold Holdings Limited holds<br>79,569,450 shares                       | 100.00%                                                                 |
| Peng Yu International Ltd.                                  | Director<br>Director                                                             | Yeh Chih-Shu<br>Tsao Tai-Sun                                                                                                                                                                                                                                                                                                                                            | Peng Yu (Shanghai) Digital<br>Technology Co., Ltd. holds<br>10,000 shares | 100.00%                                                                 |
| Trigold (Shanghai) Industrial<br>Development Ltd.           | Chairman<br>Director<br>Director<br>Supervisor                                   | Chung Pei-Yuan<br>Simon Huang<br>Wang Jung-Mao<br>Tsao Chun-Chieh                                                                                                                                                                                                                                                                                                       | — (Note 1)                                                                | Trigold (Hong Kong)<br>Company Limited<br>holds 70%                     |
| Trigold Tongle (Shanghai)<br>Industrial<br>Development Ltd. | Chairman<br>Director<br>Director<br>Supervisor                                   | Li Hsiang<br>Chung Pei-Yuan<br>Liu Ching<br>Ku Han-Wen                                                                                                                                                                                                                                                                                                                  | — (Note 1)                                                                | Trigolduo<br>(Shanghai)<br>Industrial<br>Development Ltd.<br>holds 100% |
| Peng Yu Trigold Ltd                                         | Director<br>Director<br>Director                                                 | Simon Huang<br>Tsao Tai-Sun<br>Chen Bing-Xian                                                                                                                                                                                                                                                                                                                           | Trigold Holdings Limited<br>holds 2,000,000 shares                        | 100.00 %                                                                |
| LaaS Holdings (Samoa) Limited                               | Director<br>Director                                                             | Simon Huang<br>Cliff Yuan                                                                                                                                                                                                                                                                                                                                               | WPG Investment Co., Ltd.<br>holds 40,060,000shares                        | 100.00%                                                                 |
| LaaS Holdings (HK) Limited                                  | Director<br>Director                                                             | Simon Huang<br>Cliff Yuan                                                                                                                                                                                                                                                                                                                                               | LaaS Holdings (Samoa)<br>Limited holds 40,050,000shares                   | 100.00%                                                                 |
| LaaS Holdings(Dongguan)Supply<br>Chain Management Limited   | Director and Legal<br>Representative<br>Director<br>Director<br>Supervisor       | Jao Shih-Wei<br><br>Simon Huang<br>Frank Yeh<br>Cliff Yuan                                                                                                                                                                                                                                                                                                              | — (Note1)                                                                 | LaaS Holdings (HK)<br>Limited holds<br>100.00%                          |



Note 1: The limited company with no issued shares is not applicable.

Note 2: WPG EMEA UK LIMITED was established in November 2022.

Note 3.:WPI International ( South Asia ) Pte. Ltd. merged with World Peace International Pte Ltd. Merger based standards for both was on January 1<sup>st</sup>, 2022 and the latter became a dissolved company.

Note 4:The name of WPI Investment Holding Company Pte. Ltd. was renamed WPI Technology Pte. Ltd. in August 2022.

Note 5.: Long-Think International Co., Ltd dealt with liquidation and dissolution in December 2022, and still not finished in the final day of the year.

### 8.1.6 Operational Highlights of WPG Subsidiaries

December 31, 2022 Unit: NT\$ thousands

| Name                              | Currency | Capital Stock | Asset      | Liabilities | Net Worth  | Net Revenues | Operating Profit (Loss) | Net Income (After tax) | Earnings per Share after Tax (NT\$) |
|-----------------------------------|----------|---------------|------------|-------------|------------|--------------|-------------------------|------------------------|-------------------------------------|
| World Peace Industrial Co., Ltd.  | NTD      | 18,120,000    | 79,694,139 | 47,770,141  | 31,923,998 | 160,154,282  | 1,741,622               | 4,145,513              | 2.29                                |
| Silicon Application Corp.         | NTD      | 6,503,000     | 39,644,656 | 30,048,975  | 9,595,681  | 79,953,930   | 1,344,665               | 1,106,664              | 1.70                                |
| Asian Information Technology Inc. | NTD      | 6,120,892     | 22,350,406 | 14,508,835  | 7,841,571  | 41,599,155   | 443,850                 | 1,385,097              | 2.26                                |
| Yosun Industrial Corp.            | NTD      | 4,023,103     | 23,527,357 | 13,335,304  | 10,192,053 | 38,774,197   | 446,707                 | 1,455,001              | 3.62                                |
| WPG Electronics Ltd.              | NTD      | 39,200        | 382,544    | 348,470     | 34,074     | 145,746      | (13,101)                | (10,137)               | (2.60)                              |
| WPG Korea Co.,Ltd.                | NTD      | 358,581       | 2,327,402  | 1,570,141   | 757,261    | 6,026,848    | 90,407                  | 35,396                 | 11.96                               |
| WPG International (CI) Limited    | NTD      | 4,615,176     | 9,174,536  | 831,162     | 8,343,374  | —            | (224)                   | 689,452                | 4.59                                |
| WPG Investment Co., Ltd.          | NTD      | 2,100,000     | 1,984,798  | 234         | 1,984,564  | —            | (934)                   | (42,640)               | (0.20)                              |
| Trigold Holdings Limited          | NTD      | 1,005,695     | 2,762,859  | 668,914     | 2,093,945  | 247,959      | 200,451                 | 186,528                | 1.85                                |
| WPG South Asia Pte. Ltd.          | NTD      | 761,453       | 2,689,417  | 1,894,013   | 795,404    | 2,440,454    | (3,031)                 | 33,000                 | 0.97                                |
| WPG Electronics (HK) Limited      | NTD      | 921,814       | 23,032,289 | 22,215,659  | 816,630    | 27,645,491   | 424,780                 | 195,088                | 0.83                                |
| WPG EMEA B.V.                     | NTD      | 153,550       | 104,419    | 22,129      | 82,290     | 159,658      | (42,279)                | (46,120)               | (9.22)                              |

| Name                                                     | Currency | Capital Stock | Asset      | Liabilities | Net Worth  | Net Revenues | Operating Profit (Loss) | Net Income (After tax) | Earnings per Share after Tax (NT\$) |
|----------------------------------------------------------|----------|---------------|------------|-------------|------------|--------------|-------------------------|------------------------|-------------------------------------|
| WPG EMEA UK LIMITED (Note 4)                             | NTD      | —             | —          | —           | —          | —            | —                       | —                      | —                                   |
| AECO Technology Co., Ltd.                                | NTD      | 946,000       | 1,090,125  | 64,038      | 1,026,087  | 4,726        | (3,671)                 | 8,091                  | 0.09                                |
| TECO Enterprise Holding (BVI) CO., Ltd.                  | NTD      | 387,253       | 839,763    | —           | 839,763    | —            | —                       | 12,125                 | 0.96                                |
| AECO Electronic Co., Ltd.                                | NTD      | 387,027       | 852,366    | 12,729      | 839,637    | —            | (774)                   | 12,125                 | 0.12                                |
| WPI Technology Pte. Ltd. (Note 5)                        | NTD      | 2,554,440     | 27,815,163 | 65,559      | 27,749,604 | 50,552       | (879)                   | 2,370,272              | 28.50                               |
| WPI International (South Asia) Pte.Ltd.                  | NTD      | 1,050,159     | 1,139,366  | 130,683     | 1,008,683  | 1,839,863    | 15,426                  | 22,178                 | 0.65                                |
| Longview Technology Inc.                                 | NTD      | 339,000       | 649,116    | 111,723     | 537,393    | (7,223)      | (4,241)                 | (996)                  | (0.03)                              |
| WPI International (HK) Ltd.                              | NTD      | 3,251,638     | 68,109,661 | 40,544,574  | 27,565,087 | 240,285,734  | 3,864,652               | 2,332,150              | 0.57                                |
| Genuine C&C (IndoChina) Pte.                             | NTD      | 153,550       | 246,391    | 21,730      | 224,661    | 294,123      | 6,016                   | 8,950                  | 1.34                                |
| World Peace International (South Asia) Pte Ltd           | NTD      | 668,680       | 10,015,566 | 6,203,224   | 3,812,342  | 30,196,809   | 198,398                 | 96,156                 | 2.80                                |
| World Peace International (India) Pvt., Ltd.             | NTD      | 1,327         | 96,192     | 51,590      | 44,602     | 204,508      | (57,145)                | 13,245                 | 3.70                                |
| WPG C&C Computers and Peripheral (India) Private Limited | NTD      | 179,706       | 1,157,977  | 874,559     | 283,418    | 3,174,620    | 97,449                  | 39,382                 | 0.81                                |
| WPG C&C (Malaysia) Sdn Bhd                               | NTD      | 78,315        | 68,297     | (3,991)     | 72,288     | 778,452      | 4,891                   | 9,995                  | 0.89                                |
| WPG C&C (Thailand) Co., Ltd.                             | NTD      | 22,830        | 52,286     | 14,509      | 37,777     | 469,606      | 2,910                   | 1,862                  | 1.86                                |
| WPG C&C Limited                                          | NTD      | 199,615       | 287,783    | 205         | 287,578    | —            | 1,217                   | 5,985                  | 0.92                                |

| Name                                        | Currency | Capital Stock | Asset      | Liabilities | Net Worth | Net Revenues | Operating Profit (Loss) | Net Income (After tax) | Earnings per Share after Tax (NT\$) |
|---------------------------------------------|----------|---------------|------------|-------------|-----------|--------------|-------------------------|------------------------|-------------------------------------|
| WPG C&C Shanghai Co., Ltd.                  | NTD      | 236,467       | 1,388,029  | 768,477     | 619,552   | 4,096,412    | 83,012                  | 72,582                 | Note 1                              |
| Long-Think International Co., Ltd. (Note 6) | NTD      | 40,000        | 46,828     | 3,295       | 43,533    | (6)          | (1,084)                 | (881)                  | (0.22)                              |
| Longview Technology GC Limited              | NTD      | 347,023       | 576,416    | 120         | 576,296   | —            | (117)                   | 6,209                  | 0.55                                |
| Long-Think International (Hong Kong) Ltd.   | NTD      | 307,164       | 654,112    | 77,745      | 576,367   | —            | (860)                   | 6,325                  | 0.01                                |
| Silicon Application (BVI) Co., Ltd.         | NTD      | 675,620       | 1,821,873  | —           | 1,821,873 | —            | —                       | 37,402                 | 1.70                                |
| Silicon Application Co., Ltd.               | NTD      | 433,180       | 1,918,407  | 100,824     | 1,817,583 | 129,944      | (53,391)                | 43,952                 | 0.44                                |
| Win-Win Systems Ltd.                        | NTD      | 23,493        | 26,794     | —           | 26,794    | —            | —                       | 268                    | 0.35                                |
| SAC Components (South Asia) Pte. Ltd.       | NTD      | 107,485       | 133,906    | 10,285      | 123,621   | 190,680      | 7,432                   | 6,430                  | 18.37                               |
| Pernas Electronics Co., Ltd.                | NTD      | 900,000       | 3,778,289  | 2,337,088   | 1,441,201 | 5,866,993    | 63,887                  | 210,751                | 2.34                                |
| Everwiner Enterprise Co., Ltd.              | NTD      | 370,000       | 2,563,665  | 1,760,025   | 803,640   | 5,741,411    | 249,951                 | 172,929                | 4.67                                |
| Apache Communication Inc.                   | NTD      | 2,193,000     | 7,458,644  | 4,902,514   | 2,556,130 | 31,170,042   | 415,281                 | 470,662                | 2.15                                |
| Henshen Electric Trading Co., Ltd.          | NTD      | 200,000       | 843,268    | 603,302     | 239,966   | 867,151      | 19,760                  | 25,415                 | 1.27                                |
| Frontek Technology Corporation              | NTD      | 2,500,000     | 15,485,354 | 12,580,197  | 2,905,157 | 31,814,295   | 570,649                 | 386,614                | 1.55                                |
| Fame Hall International Co., Ltd.           | NTD      | 144,432       | 268,776    | —           | 268,776   | —            | (134)                   | 18,871                 | 4.01                                |
| Frontek International Limited               | NTD      | 91,209        | 135,165    | —           | 135,165   | —            | (121)                   | 1,387                  | 0.47                                |
| Gather Technology Incorporation Limited     | NTD      | 89,776        | 138,584    | 13,758      | 124,826   | 99,749       | (245)                   | 1,336                  | 0.06                                |
| AIT Japan Inc.                              | NTD      | 69,732        | 341,860    | 110,956     | 230,904   | 1,339,245    | 5,009                   | 18,105                 | 3,017.06                            |

| Name                                      | Currency | Capital Stock | Asset      | Liabilities | Net Worth | Net Revenues | Operating Profit (Loss) | Net Income (After tax) | Earnings per Share after Tax (NT\$) |
|-------------------------------------------|----------|---------------|------------|-------------|-----------|--------------|-------------------------|------------------------|-------------------------------------|
| Richpower Electronic Devices Co., Ltd.    | NTD      | 1,209,000     | 8,306,126  | 5,509,247   | 2,796,879 | 17,233,566   | 409,774                 | 319,849                | 2.65                                |
| Sertek Inc.                               | NTD      | 948,281       | 3,811,641  | 2,140,003   | 1,671,638 | 14,488,308   | 386,960                 | 334,126                | 3.52                                |
| Sertek Ltd.                               | NTD      | 76,791        | 82,711     | 22          | 82,689    | —            | (53)                    | 164                    | 0.01                                |
| Suntop Investments Limited                | NTD      | 1,556,997     | 5,931,723  | 4           | 5,931,719 | —            | (202)                   | 199,446                | 3.93                                |
| Richpower Electronic Devices Co., Limited | NTD      | 248,094       | 8,443,879  | 5,636,254   | 2,807,625 | 19,251,341   | 173,174                 | 110,122                | 1.75                                |
| Richpower Electronic Devices Pte., Ltd.   | NTD      | 2,288         | 240,770    | 887         | 239,883   | —            | (352)                   | 5,248                  | 524.82                              |
| Yosun Hong Kong Corp Ltd.                 | NTD      | 1,194,080     | 13,341,687 | 8,398,490   | 4,943,197 | 51,174,682   | 288,811                 | 76,833                 | 0.26                                |
| Yosun Shanghai Corp Ltd                   | NTD      | 236,467       | 1,482,089  | 1,101,723   | 380,366   | 1,001,959    | (3,516)                 | 838                    | Note 1                              |
| Yosun South China Corp. Ltd.              | NTD      | 132,053       | 223,972    | 3,146       | 220,826   | —            | (139)                   | 3,927                  | Note 1                              |
| Apache Communication Inc.(B.V.I.)         | NTD      | 85,834        | 86,932     | —           | 86,932    | —            | —                       | 1,978                  | 0.71                                |
| Apache Korea Corp.                        | NTD      | 25,563        | 75,021     | 24          | 74,997    | —            | (229)                   | 1,974                  | 9.36                                |
| WPG International (Hong Kong) Limited     | NTD      | 2,830,616     | 5,866,510  | 12,241      | 5,854,269 | —            | (90)                    | 388,900                | 0.54                                |
| WPG Americas Inc.                         | NTD      | 2,029,931     | 6,450,073  | 5,044,797   | 1,405,276 | 20,371,903   | 416,214                 | 223,077                | 0.95                                |
| WPG Cloud Service Ltd.                    | NTD      | 66,245        | 43,112     | 162         | 42,950    | —            | (651)                   | (651)                  | (0.30)                              |
| WPG Gain Tune Ltd.                        | NTD      | 30,710        | 31,174     | 299         | 30,875    | —            | (1,198)                 | (934)                  | (0.01)                              |
| WPG China Inc.                            | NTD      | 1,789,779     | 8,148,393  | 4,542,355   | 3,606,038 | 17,681,538   | (994,760)               | 127,716                | Note 1                              |
| WPG China (SZ) Inc.                       | NTD      | 145,706       | 5,937,211  | 4,666,863   | 1,270,348 | 12,040,399   | (1,434,986)             | 77,676                 | Note 1                              |

| Name                                                  | Currency | Capital Stock | Asset     | Liabilities | Net Worth | Net Revenues | Operating Profit (Loss) | Net Income (After tax) | Earnings per Share after Tax (NT\$) |
|-------------------------------------------------------|----------|---------------|-----------|-------------|-----------|--------------|-------------------------|------------------------|-------------------------------------|
| WPG Malaysia Sdn Bhd                                  | NTD      | 7,038         | 45,696    | 21,091      | 24,605    | 60,525       | 2,773                   | 2,095                  | 2.07                                |
| WPG (Thailand) Co., Ltd.                              | NTD      | 9,196         | 38,075    | 15,258      | 22,817    | 29,006       | 786                     | 713                    | 6.87                                |
| WPG India Electronics Pvt Ltd                         | NTD      | 59,048        | 103,980   | 20,295      | 83,685    | 19,763       | (2,500)                 | 275                    | 0.02                                |
| WPG Electronics (Philippines) Inc.                    | NTD      | 555           | 7,649     | 990         | 6,659     | —            | (3,936)                 | 1,750                  | 175.00                              |
| WPG Vietnam Company Limited                           | NTD      | 3,071         | 1,778     | 487         | 1,291     | 875          | (1,264)                 | (1,199)                | (11.99)                             |
| WPG SCM Ltd.                                          | NTD      | 50,392        | 2,679,226 | 2,013,402   | 665,824   | 6,288,867    | 48,604                  | 42,698                 | 3.34                                |
| Yosun Singapore Pte Ltd.                              | NTD      | 471,328       | 2,627,930 | 2,211,067   | 416,863   | 8,833,629    | 223,525                 | 172,312                | 8.36                                |
| Hoban Inc.                                            | NTD      | 130,000       | 47,676    | 31,823      | 15,853    | 168,760      | (24,178)                | (23,770)               | (1.83)                              |
| Genuine C&C Holding Inc. (Seychelles)                 | NTD      | 199,615       | 144,743   | —           | 144,743   | —            | (94)                    | 2,732                  | 0.42                                |
| Peng Yu (Shanghai) Digital Technology Co., Ltd.       | NTD      | 99,180        | 185,142   | 151         | 184,991   | —            | (1,430)                 | 6,089                  | Note 1                              |
| Trigold (Hong Kong) Company Limited                   | NTD      | 611,178       | 1,128,166 | 168         | 1,127,998 | —            | (731)                   | 63,909                 | 0.41                                |
| GENUINE C&C Inc.                                      | NTD      | 795,695       | 4,383,364 | 3,233,175   | 1,150,189 | 11,408,227   | 112,470                 | 72,050                 | 0.91                                |
| Peng Yu International Ltd.                            | NTD      | 307           | 269,240   | 1,366       | 267,874   | 217,877      | 12,029                  | 11,482                 | 1,148.25                            |
| Trigolduo (Shanghai) Industrial Development Ltd.      | NTD      | 88,160        | 97,596    | 93,174      | 4,422     | 40,978       | (33,833)                | (28,565)               | Note 1                              |
| Trigold Tongle (Shanghai) Industrial Development Ltd. | NTD      | 6,612         | 11,762    | 21,184      | (9,422)   | 5,373        | (3,785)                 | (2,752)                | Note 1                              |
| Peng Yu Trigold Ltd.                                  | NTD      | 61,420        | 1,834,614 | 1,683,609   | 151,005   | 6,772,157    | 123,709                 | 74,003                 | 37.00                               |

| Name                                                   | Currency | Capital Stock | Asset     | Liabilities | Net Worth | Net Revenues | Operating Profit (Loss) | Net Income (After tax) | Earnings per Share after Tax (NT\$) |
|--------------------------------------------------------|----------|---------------|-----------|-------------|-----------|--------------|-------------------------|------------------------|-------------------------------------|
| LaaS Holdings (Samoa) Limited                          | NTD      | 1,230,243     | 790,544   | —           | 790,544   | —            | (40)                    | (88,798)               | (2.22)                              |
| LaaS Holdings (HK) Limited                             | NTD      | 1,229,936     | 790,685   | 363         | 790,322   | —            | (437)                   | (88,758)               | (2.22)                              |
| LaaS Holdings(Dongguan)Supply Chain Management Limited | NTD      | 1,228,400     | 2,218,788 | 1,429,433   | 789,355   | 493,252      | (45,356)                | (88,322)               | Note 1                              |

Note 1: The limited company with no issued shares is not applicable.

Note 2: Filled in accordance with the financial information of the individual statements audited by the appointed accountant.

Note 3: The exchange rates of various foreign currencies to Taiwanese currency are the exchange rates of the Bank of Taiwan at the end of the year on December 31, 2022: USD exchange rate 30.71, HKD exchange rate 3.938, KRW exchange rate 0.024233; exchange rate of USD to RMB at the end of year, on December 31, 2022, is 6.96688, and the average exchange rate in 2022 are: USD exchange rate 29.84894, HKD exchange rate 3.811, and KRW exchange rate, 0.023104; the average exchange rate of USD to RMB in 2022 is 6.750350.

Note 4: WPG EMEA UK LIMITED. was established in November 2022.

Note 5: The name of WPI Investment Holding Company Pte. Ltd. was renamed WPI Technology Pte. Ltd. in August 2022.

Note 6: Long-Think International Co., Ltd dealt with liquidation and dissolution in December 2022, and still not finished in the final day of the year.

8.1.7 Consolidated Financial Statements of Subsidiaries: Please refer to pages 137 to 282 for details.

8.1.8 Relationship with the Controlling Company: The Company is not an affiliate and thus not applicable.

**8.2 Private Placement Securities in the Most Recent Year and as of the Date of this Annual Report: None.**

**8.3 Status of the Company's Common Shares Acquired, Disposed of, and Held by Subsidiaries in the Most Recent Year and as of the Date of this Annual Report: None.**

**8.4 Other Necessary Supplement: None.**

**8.5 Any Events in the Most Recent Year and as of the Date of this Annual Report that Had Significant Impacts on Shareholders' Right or Security Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Law of Taiwan:**

Please refer to the important resolutions of the Shareholders' Meeting and the Board of Directors for the most recent year and up to the date of this annual report: Please refer to pages 66 to 67 for details.



The Benchmark of Distribution