

**Ampire Co., Ltd. and its Subsidiaries**  
**Consolidated Financial Statements &**  
**Independent Auditor's Review Report**  
Q3 2023 and 2022

Address: 4F., No.116, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City  
Tel: (02) 2696 7269

## Table of Contents

Items	Page
1. Cover	1
2. Table of Contents	2
3. Independent Auditor's Review Report	3
4. Consolidated Balance Sheet	4
5. Consolidated Statement of Comprehensive Income	5
6. Consolidated Statement of Changes in Equity	6
7. Consolidated Statement of Cash Flows	7
8. Notes to Consolidated Financial Statements	
1) History of the Company	8
2) Approval date and procedures of the consolidated financial statements	8
3) Application of newly published and amended standards & interpretations	8
4) Consolidated explanation of material accounting policies	9
5) Main sources of uncertainty in significant accounting judgments, estimates and assumptions	10
6) Explanation of material accounting items	10-29
7) Related party transactions	30
8) Pledged assets	30
9) Significant contingent liabilities and unrecognized contractual commitments	30
10) Losses due to major disaster	30
11) Significant events after the reporting period	30
12) Other	30-31
13) Note disclosures	
1. Information on significant transactions	31-32
2. Information on investees	32
3. Information on investment in mainland China	33
4. Information on major shareholders	33
14) Segment information	34

## Independent Auditor's Review Report

To the Board of Directors of Ampire Co., Ltd.,

### Foreword

We have reviewed the accompanying Consolidated Balance Sheet of Ampire Co. and its subsidiaries as of September 30, 2023 and 2022; the Consolidated Statement of Comprehensive Income for the periods between July 1 and September 30, 2023 and 2022 and the periods between January 1 and September 30, 2023 and 2022; the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the periods from January 1 to September 30, 2023 and 2022; and the accompanying notes to the consolidated financial statements, which include a summary of significant accounting policies. It is the responsibility of management to prepare fairly presented consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard (IAS) No. 34, "Interim Financial Reporting," as endorsed and issued into effect by the Financial Supervisory Commission (FSC), while it is our responsibility to express a conclusion on these consolidated financial statements based on our review.

### Scope

We conducted our review pursuant to International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." The procedures applied in reviewing the consolidated financial statements include making inquiries (primarily of persons responsible for financial and accounting matters), conducting analytical procedures and other review procedures. A review is substantially less in scope than an audit and consequently we may not be able to discern all significant matters that might be identified by an audit and therefore cannot express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements referred to above have not been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS No. 34, "Interim Financial Reporting," as endorsed and issued into effect by the FSC, and accordingly do not present fairly the consolidated financial position of Ampire Co. and its subsidiaries for the periods ended September 30, 2023 and 2022; the consolidated financial performance for the periods between July 1 and September 30, 2023 and 2022 and the periods between January 1 and September 30, 2023 and 2022; and consolidated cash flows for the periods from January 1 to September 30, 2023 and 2022.

The engagement partners on the audit resulting in this independent auditors' report are LEE TZU HUI and KUO HSIN YI.

KPMG

Taipei, Taiwan (Republic of China)

November 8, 2023

#### Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

**Ampire Co and its Subsidiaries**  
**Consolidated Balance Sheet**  
**Sept 30, 2023, Dec 31 and Sept 30, 2022**

In NT\$ K

Assets		2023.9.30		2022.12.31		2022.9.30		Liabilities and Equity		2023.9.30		2022.12.31		2022.9.30	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
<b>Current assets:</b>								<b>Current liabilities:</b>							
1100	Cash and cash equivalents (Note 6(1))	\$ 313,085	12	358,325	14	242,182	10	2170	Accounts payable	204,592	8	220,997	9	296,295	12
1110	Financial assets at FVPL - current (Note 6(2))	-	-	-	-	42,490	2	2200	Other payables (Note 6(9))	106,756	4	129,784	5	109,307	4
1137	Financial assets at amortized cost - current (Note 6(4))	504,348	20	268,434	11	213,594	9	2230	Current tax liabilities	24,093	1	63,611	2	34,476	2
1170	Notes and accounts receivable, net (Note 6(5), (15))	242,306	10	363,587	14	302,327	12	2280	Lease liabilities - current (Note 6(10))	22,009	1	18,434	1	19,570	1
1200	Other receivables	13,278	1	10,947	-	18,713	1	2300	Other current liabilities	2,276	-	12,355	-	10,225	-
1310	Inventories (Note 6(6))	385,322	15	549,896	22	642,835	26		<b>Total current liabilities</b>	<b>359,726</b>	<b>14</b>	<b>445,181</b>	<b>17</b>	<b>469,873</b>	<b>19</b>
1410	Prepayments	5,450	-	12,136	-	15,028	-		<b>Non-current liabilities:</b>						
1470	Other current assets	200	-	165	-	514	-	2580	Lease liabilities - non-current (Note 6(10))	27,579	1	30,784	1	35,416	1
	<b>Total current assets</b>	<b>1,463,989</b>	<b>58</b>	<b>1,563,490</b>	<b>61</b>	<b>1,477,683</b>	<b>60</b>	2640	Net defined benefit liabilities - non-current	13,092	1	12,782	1	17,165	1
	<b>Non-current assets:</b>								<b>Total non-current liabilities</b>	<b>40,671</b>	<b>2</b>	<b>43,566</b>	<b>2</b>	<b>52,581</b>	<b>2</b>
1517	Financial assets at FVOCI - non-current (Note 6(3))	700,574	28	621,428	24	603,094	24		<b>Total liabilities</b>	<b>400,397</b>	<b>16</b>	<b>488,747</b>	<b>19</b>	<b>522,454</b>	<b>21</b>
1600	Property, plant and equipment (Note 6(7))	314,868	12	325,953	13	302,381	12		<b>Equity (Note 6(13)):</b>						
1755	Right-of-use assets (Note 6(8))	47,926	2	48,570	2	56,344	3	3100	Ordinary share capital	1,182,798	46	1,182,798	46	1,182,798	48
1780	Intangible assets	2,071	-	2,580	-	2,779	-	3200	Capital reserve	31,471	1	31,471	1	31,471	1
1840	Deferred tax assets	9,468	-	9,468	-	8,833	-		Retained earnings:						
1990	Other non-current assets (Note 6(5))	6,980	-	7,024	-	28,482	1	3310	Legal reserve	216,126	9	170,334	7	170,334	7
	<b>Total non-current assets</b>	<b>1,081,887</b>	<b>42</b>	<b>1,015,023</b>	<b>39</b>	<b>1,001,913</b>	<b>40</b>	3350	Undistributed earnings	552,752	22	621,426	24	494,747	20
									Total retained earnings	768,878	31	791,760	31	665,081	27
								3400	Other equity	162,332	6	83,737	3	77,792	3
	<b>Total assets</b>	<b>\$ 2,545,876</b>	<b>100</b>	<b>2,578,513</b>	<b>100</b>	<b>2,479,596</b>	<b>100</b>		<b>Total equity</b>	<b>2,145,479</b>	<b>84</b>	<b>2,089,766</b>	<b>81</b>	<b>1,957,142</b>	<b>79</b>
									<b>Total liabilities and equity</b>	<b>\$ 2,545,876</b>	<b>100</b>	<b>2,578,513</b>	<b>100</b>	<b>2,479,596</b>	<b>100</b>

(Please refer to the Notes to the Consolidated Financial Statements attached for further details)

**Ampire Co and its Subsidiaries**  
**Consolidated Statement of Comprehensive Income**  
**July 1-Sept 30, 2023 and 2022; Jan 1- Sept 30, 2023 and 2022**

In NT\$ K

	Jul-Sept 2023		Jul-Sept 2022		Jan-Sept 2023		Jan-Sept 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 <b>Operating revenue (Note 6(15))</b>	\$ 518,877	100	659,184	100	1,667,902	100	1,735,160	100
5000 <b>Operating costs (Note 6(6), (7), (8), (10), (11), (16))</b>	(356,832)	(69)	(465,446)	(71)	(1,163,557)	(70)	(1,269,396)	(73)
<b>Gross profit from operations</b>	162,045	31	193,738	29	504,345	30	465,764	27
<b>Operating expenses (Note 6(7), (8), (10), (11), (16)):</b>								
6100 Selling expenses	(12,825)	(2)	(14,143)	(2)	(42,366)	(2)	(38,644)	(2)
6200 Administration expenses	(28,083)	(5)	(33,734)	(5)	(86,161)	(5)	(90,863)	(5)
6300 R&D expenses	(9,959)	(2)	(9,071)	(1)	(29,936)	(2)	(26,501)	(2)
<b>Total operating expenses</b>	(50,867)	(9)	(56,948)	(8)	(158,463)	(9)	(156,008)	(9)
<b>Net operating profit</b>	111,178	22	136,790	21	345,882	21	309,756	18
<b>Non-operating income and expenses (Note 6(10), (17)):</b>								
7100 Interest income	7,191	1	2,357	-	20,100	1	6,297	-
7010 Other income	3,850	1	1,875	-	39,181	2	46,952	3
7020 Other gains and losses	16,564	3	21,456	4	6,981	1	41,844	2
7050 Finance costs	(345)	-	(365)	-	(919)	-	(1,191)	-
<b>Total non-operating income and expenses</b>	27,260	5	25,323	4	65,343	4	93,902	5
7900 <b>Net profit before tax</b>	138,438	27	162,113	25	411,225	25	403,658	23
7950 <b>Tax expense (Note 6(12))</b>	(27,150)	(5)	(31,849)	(5)	(79,268)	(5)	(72,413)	(4)
<b>Net profit for the period</b>	111,288	22	130,264	20	331,957	20	331,245	19
8300 <b>Other comprehensive income (Note 6(13)):</b>								
8310 <b>Items not reclassified to profit or loss</b>								
8316 Unrealized valuation gains and losses from equity instrument investments at FVOCI	10,019	2	(46,402)	(7)	61,215	4	(164,575)	(8)
8349 Income tax relating to items that will not be reclassified	-	-	-	-	-	-	-	-
<b>Total items not reclassified to profit or loss</b>	10,019	2	(46,402)	(7)	61,215	4	(164,575)	(8)
8360 <b>Items that may be reclassified subsequently to profit or loss</b>								
8361 Exchange differences on translation of financial statements of foreign operating entities	12,665	2	20,322	3	17,380	1	39,282	1
8399 Income tax relating to items that may be reclassified	-	-	-	-	-	-	-	-
<b>Total items that may be reclassified subsequently to profit or loss</b>	12,665	2	20,322	3	17,380	1	39,282	1
8300 <b>Other comprehensive income for the period</b>	22,684	4	(26,080)	(4)	78,595	5	(125,293)	(7)
8500 <b>Total amount of comprehensive income for the period</b>	\$ 133,972	26	104,184	16	410,552	25	205,952	12
<b>Earnings per share (NT\$) (Note 6(14))</b>								
9750 <b>Basic earnings per share</b>	\$ 0.94		1.10		2.81		2.80	
9850 <b>Diluted earnings per share</b>	\$ 0.94		1.09		2.77		2.76	

(Please refer to the Notes to the Consolidated Financial Statements attached for further details)

**Ampire Co and its Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
**Jan 1-Sept 30, 2023 and 2022**

In NT\$ K

	Ordinary share capital	Capital reserve	Retained earnings		Total	Exchange difference on translation of foreign financial statement	Other equity items		Total	Total equity
			Legal reserve	Undistributed earnings			Unrealized gains (losses) on financial assets at FVOCI	Gains (losses) on remeasurements of defined benefit		
<b>Balance at Jan 1, 2022</b>	\$ 1,182,798	31,471	139,426	442,798	582,224	(25,067)	234,145	(5,993)	203,085	1,999,578
Net profit for the period	-	-	-	331,245	331,245	-	-	-	-	331,245
Other comprehensive income for the period	-	-	-	-	-	39,282	(164,575)	-	(125,293)	(125,293)
Total comprehensive income for the period	-	-	-	331,245	331,245	39,282	(164,575)	-	(125,293)	205,952
Appropriation and distribution of earnings:										
Provision for legal reserve	-	-	30,908	(30,908)	-	-	-	-	-	-
Cash dividends on common shares	-	-	-	(248,388)	(248,388)	-	-	-	-	(248,388)
<b>Balance at Sept 30, 2022</b>	<b>\$ 1,182,798</b>	<b>31,471</b>	<b>170,334</b>	<b>494,747</b>	<b>665,081</b>	<b>14,215</b>	<b>69,570</b>	<b>(5,993)</b>	<b>77,792</b>	<b>1,957,142</b>
<b>Balance at Jan 1, 2023</b>	\$ 1,182,798	31,471	170,334	621,426	791,760	3,624	87,904	(7,791)	83,737	2,089,766
Net profit for the period	-	-	-	331,957	331,957	-	-	-	-	331,957
Other comprehensive income for the period	-	-	-	-	-	17,380	61,215	-	78,595	78,595
Total comprehensive income for the period	-	-	-	331,957	331,957	17,380	61,215	-	78,595	410,552
Appropriation and distribution of earnings:										
Provision for legal reserve	-	-	45,792	(45,792)	-	-	-	-	-	-
Cash dividends on common shares	-	-	-	(354,839)	(354,839)	-	-	-	-	(354,839)
<b>Balance at Sept 30, 2023</b>	<b>\$ 1,182,798</b>	<b>31,471</b>	<b>216,126</b>	<b>552,752</b>	<b>768,878</b>	<b>21,004</b>	<b>149,119</b>	<b>(7,791)</b>	<b>162,332</b>	<b>2,145,479</b>

(Please refer to the Notes to the Consolidated Financial Statements attached for further details)

**Ampire Co and its Subsidiaries**  
**Consolidated Statement of Cash Flows**  
**Jan 1-Sept 30, 2023 and 2022**

In NT\$ K

	Jan-Sept 2023	Jan-Sept 2022
<b>Cash flow from operating activities:</b>		
<b>Net profit before tax for the period</b>	\$ 411,225	403,658
<b>Adjustments:</b>		
Revenue and expense items		
Depreciation expense	31,714	31,182
Amortization expense	509	453
Interest expense	919	1,191
Interest income	(20,100)	(6,297)
Dividend income	(33,258)	(40,455)
Loss on disposal and scrapping of property, plant and equipment	6,607	369
Unrealized foreign currency exchange gains	(6,951)	(10,427)
Total revenue and expense items	(20,560)	(23,984)
Changes in assets and liabilities related to operating activities:		
Net change in assets related to operating activities:		
Accounts receivable	124,438	(52,127)
Other receivables	(215)	(5,175)
Inventories	185,179	(117,409)
Prepayments	4,386	6,031
Other current assets	(35)	(239)
Total net changes in assets related to operating activities	313,753	(168,919)
Net changes in liabilities related to operating activities:		
Accounts payable	(18,880)	56,059
Other payables	(23,028)	7,877
Other current liabilities	(10,079)	2,102
Net defined benefit liabilities	310	30
Total net changes in liabilities related to operating activities	(51,677)	66,068
Total net changes in assets and liabilities related to operating activities	262,076	(102,851)
Total adjustments	241,516	(126,835)
Cash inflow from operations	652,741	276,823
Interest received	17,984	6,920
Interest paid	(919)	(1,191)
Income tax paid	(118,786)	(79,417)
<b>Net cash inflows from operating activities</b>	551,020	203,135
<b>Cash flows from investing activities:</b>		
Acquisition of financial assets at FVPL	-	(97,565)
Disposal of financial assets at FVPL	-	99,783
Acquisition of financial assets at amortized cost	(229,672)	-
Disposal of financial assets at amortized cost	-	98,200
Acquisition of financial assets at FVOCI	(50,626)	(216,747)
Proceeds from capital reduction of financial assets at FVOCI	32,695	43,952
Acquisition of property, plant and equipment	(8,475)	(11,538)
Proceeds from disposal of property, plant and equipment	24	37
Acquisition of intangible assets	-	(2,928)
Decrease (increase) in other non-current assets	44	(14,055)
Dividends received	33,258	40,455
<b>Net cash outflow from investing activities</b>	(222,752)	(60,406)
<b>Cash flows from financing activities:</b>		
Principal repayments on leases	(15,472)	(15,263)
Cash dividends distribution	(354,839)	(248,388)
<b>Net cash outflow from financing activities</b>	(370,311)	(263,651)
Effect of exchange rate changes	(3,197)	34,851
Decrease in cash and cash equivalents for the period	(45,240)	(86,071)
Balance of cash and cash equivalents at beginning of period	358,325	328,253
Balance of cash and cash equivalents at end of period	\$ 313,085	242,182

(Please refer to the Notes to the Consolidated Financial Statements attached for further details)

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**Q3 2023 and 2022**

**(All amounts expressed in NTD K unless otherwise stated)**

**1. History of the Company**

Ampire Co., Ltd. (hereinafter the "Company") was established on March 17, 1998 with the approval of the Ministry of Economic Affairs and its registered address is 4F., No.116, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City. The principal lines of business of the Company and its subsidiaries (hereinafter collectively "Consolidated Company") are (1) data storage media units manufacturing; (2) electronic parts and components manufacturing; (3) other electrical engineering and electronic machinery equipment manufacturing; (4) retail sale of office machinery and equipment; and (5) retail sale of other machinery and equipment (LCD monitors, LCD modules and touch screens).

**2. Approval date and procedures of the consolidated financial statements**

These consolidated financial statements were approved and released on November 8, 2023 by the Board of Directors.

**3. Application of newly published and amended standards & interpretations**

1) The effects of adopting new and amended standards and interpretations endorsed by the Financial Supervisory Commission (FSC)

The Consolidated Company started to apply the following newly amended International Financial Reporting Standards (IFRSs) from January 1, 2023, with no material impact on the consolidated financial statements.

- Amendments to IAS 1 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendment to IAS 12 "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction"

The Consolidated Company started to apply the following newly amended IFRSs from May 23, 2023, with no material impact on the consolidated financial statements

- Amendment to IAS 12 "International Tax Reform - Pillar Two Model Rules"

2) The effects of not yet adopting IFRSs endorsed by the FSC

The Consolidated Company assessed that the application of the following newly amended IFRSs effective from January 1, 2024 will not have a material impact on the consolidated financial statements.

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

3) New and amended standards and interpretations not yet endorsed by the FSC

The Consolidated Company does not expect the following newly issued and amended standards, which have not yet been endorsed, to have a material impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17
- IAS 21 "Lack of Exchangeability"



**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

**4. Consolidated explanation of material accounting policies**

1) Statement of compliance

These consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter the "Preparation Regulations") and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. These consolidated financial statements do not include all of the information to be disclosed in an annual consolidated financial report prepared under the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and Interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC) (hereinafter the "International Financial Reporting Standards endorsed by the FSC"), as endorsed and issued into effect by the FSC.

Except as described below, the significant accounting policies adopted in these consolidated financial statements are the same as those used in the consolidated financial statements for fiscal 2022. See Note 4 to the consolidated financial statements for fiscal 2022 for related information.

2) Basis of consolidation

1. The subsidiaries included in the consolidated financial statements comprise:

Investing company	Subsidiary	Nature of business	Percentage of shareholding		
			2023.9.30	2022.12.31	2022.9.30
Ampire Co	Asia Ampire (H.K.) Co., Ltd.	Sale of LCD modules	100%	100%	100%
Ampire Co	American Ampire, Inc.	Sale of LCD modules	100%	100%	100%
Ampire Co	AMPIRE CO., LTD. (B.V.I.)	Investment holding	100%	100%	100%
Ampire Co., Ltd. (B.V.I)	Sino Advance Inc.	Sale of LCD modules	100%	100%	100%
Sino Advance Inc.	Tangyu Electronics (Dongguan) Co	Manufacture and sale of LCD modules	100%	100%	100%

2. The subsidiaries not included in the consolidated financial statements: Nil.

3) Employee benefits

Defined benefit plan pensions for the interim period are calculated using actuarially determined pension cost rates as at the reporting date of the previous year, from the beginning of the year to the end of the current period, adjusted for significant market fluctuations and significant curtailments, liquidations or other significant one-off events after that end date.

4) Income taxes

The Consolidated Company measures and discloses its income tax expense for the interim period in compliance with Paragraph B12 of IAS 34 "Interim Financial Reporting."

Income tax expense is measured by multiplying pre-tax profit for the interim reporting period by management's best estimate of the estimated effective tax rate for the full year, and is allocated to current income tax expense and deferred income tax expense in proportion to the estimated current income tax expense and deferred income tax expense for the full year.

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

**5. Main sources of uncertainty in significant accounting judgments, estimates and assumptions**

The preparation of these consolidated financial statements in conformity with the Preparation Regulations and IAS 34 "Interim Financial Reporting" as endorsed by the FSC requires management to make judgments, estimates and assumptions that might affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

In preparing the consolidated financial statements, the main sources of uncertainty in significant judgments and estimates made by management when applying the Consolidated Company's accounting policies are in alignment with Note 5 to the consolidated financial statements for fiscal 2022.

**6. Explanation of material accounting Items**

Except as noted below, there are no material differences between the description of significant accounting items in these consolidated financial statements and the consolidated financial statements for fiscal 2022. See Note 6 to the consolidated financial statements for fiscal 2022 for related information.

1) Cash and cash equivalents

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Cash	\$ 111	116	117
Demand deposits	10,005	61,575	15,869
Time deposits	302,969	296,634	226,196
	<u>\$ 313,085</u>	<u>358,325</u>	<u>242,182</u>

Refer to Note 6(18) for the disclosure of the sensitivity analysis of the Consolidated Company's financial assets.

2) Financial assets measured at FVPL

Financial assets designated at FVPL:

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Structured deposits	\$ -	-	<u>42,490</u>

3) Financial assets measured at FVOCI - non-current

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Equity instruments measured at FVOCI:			
Domestic OTC-listed stocks	\$ 258,977	185,103	173,222
Domestic non-Exchange/OTC-listed stocks	441,597	436,325	429,872
	<u>\$ 700,574</u>	<u>621,428</u>	<u>603,094</u>

1. Investments in equity instruments measured at FVOCI

The Consolidated Company held these investments in equity instruments as long-term strategic investments that were not held for trading purposes and therefore had been designated as measured at FVOCI.

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

The Consolidated Company recognized dividend income of NT\$33,258 K and NT\$40,455 K for the periods from January 1 to September 30, 2023 and 2022, respectively, and received the proceeds of NT\$32,695 K and NT\$43,952 K from capital reduction in proportion to shareholding for the periods from January 1 to September 30, 2023 and 2022, respectively, for the equity instrument investments designated above as measured at FVOCI.

The Consolidated Company had not disposed of any strategic investments for the periods from January 1 to September 30, 2023 and 2022 and no accumulated profits and losses for those periods had been transferred in equity.

2. Refer to Note 6 (18) for credit risk and market risk information.

4) Financial assets measured at amortized cost - current

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Domestic and foreign certificates of deposit	<u>\$ 504,348</u>	<u>268,434</u>	<u>213,594</u>

The Consolidated Company evaluated that these assets were held until maturity to collect the contractual cash flows and that the cash flows from these financial assets were solely for the payment of principal and interest on the principal amount outstanding and are therefore reported as financial assets measured at amortized cost.

The Consolidated Company held domestic and foreign certificates of deposit with a weighted average interest rate of 2.859%, 1.960% and 2.370% per annum as at September 30, 2023, December 31 and September 30, 2022, respectively, maturing from October 2023 to September 2024, from January 2023 to September, and from October 2022 to September 2023, respectively.

Refer to Note 6(18) for credit risk information.

5) Accounts receivable and collections

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Accounts receivable - measured at amortized cost	\$ 242,306	363,587	302,327
Collections	20,146	20,146	20,146
Less: Loss allowances	(20,146)	(20,146)	(20,146)
	<u>\$ 242,306</u>	<u>363,587</u>	<u>302,327</u>

The Consolidated Company used a simplified approach to estimate expected credit losses for all accounts receivable, which was a measure of expected credit losses over the life of the accounts receivable. For this purpose, these accounts receivable were grouped by common credit risk characteristics that represent the customer's ability to pay all amounts due under contractual terms, and had incorporated forward-looking information, including macroeconomic and related industry information.

An analysis of the expected credit losses on the Consolidated Company's accounts receivable is as follows:

	<u>2023.9.30</u>		
	<u>Carrying amount of receivables</u>	<u>Weighted-average expected credit loss rate</u>	<u>Allowance for expected credit losses over the lifetime</u>
Not overdue	\$ 199,419	-	-
Below 90 days overdue	42,887	-	-
	<u>\$ 242,306</u>		<u>-</u>

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

	<b>2022.12.31</b>		
	Carrying amount of receivables	Weighted-average expected credit loss rate	Allowance for expected credit losses over the lifetime
Not overdue	\$ 294,644	-	-
Below 90 days overdue	68,939	-	-
91-180 days overdue	4	-	-
	<b>\$ 363,587</b>		<b>-</b>

	<b>2022.9.30</b>		
	Carrying amount of receivables	Weighted-average expected credit loss rate	Allowance for expected credit losses over the lifetime
Not overdue	\$ 242,179	-	-
Below 90 days overdue	60,148	-	-
	<b>\$ 302,327</b>		<b>-</b>

The expected credit losses on the Consolidated Company's collections are analyzed as follows:

	<b>2023.9.30</b>		
	Carrying amount of collections	Weighted-average expected credit loss rate	Allowance for expected credit losses over the lifetime
Over 365 days overdue	<b>\$ 20,146</b>	100%	<b>20,146</b>

	<b>2022.12.31</b>		
	Carrying amount of collections	Weighted-average expected credit loss rate	Allowance for expected credit losses over the lifetime
Over 365 days overdue	<b>\$ 20,146</b>	100%	<b>20,146</b>

	<b>2022.9.30</b>		
	Carrying amount of collections	Weighted-average expected credit loss rate	Allowance for expected credit losses over the lifetime
Over 365 days overdue	<b>\$ 20,146</b>	100%	<b>20,146</b>

The changes in the loss allowances for accounts receivable and collections of the Consolidated Company are as follows:

	<b>2023 Jan-Sept</b>	<b>2022 Jan-Sept</b>
Opening balance (i.e. closing balance)	<b>\$ 20,146</b>	<b>20,146</b>

6) Inventories

	<b>2023.9.30</b>	<b>2022.12.31</b>	<b>2022.9.30</b>
Finished products	\$ 33,207	75,641	46,015
Work in process	105,632	164,587	213,477
Raw materials	246,483	309,668	383,343
	<b>\$ 385,322</b>	<b>549,896</b>	<b>642,835</b>

**Ampire Co and its Subsidiaries**

**Notes to Consolidated Financial Statements (continued)**

The cost of goods sold is broken down as follows:

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Cost of goods sold	\$ 352,090	457,672	1,147,459	1,245,590
Unallocated fixed manufacturing costs and direct labor	9,868	5,379	25,069	16,550
Inventory valuation losses (gain from price recovery of inventory)	(5,125)	2,395	(8,980)	7,243
(Gain) Loss on physical inventory	(1)	-	9	13
	<b><u>\$ 356,832</u></b>	<b><u>465,446</u></b>	<b><u>1,163,557</u></b>	<b><u>1,269,396</u></b>

For the periods from July 1 to September 30, 2023 and January 1 to September 30, 2023, the Company recognized a gain from price recovery of inventory of NT\$5,125 K and NT\$8,980 K, respectively, as a result of the increase in selling price of inventories. For the periods from July 1 to September 30, 2022 and January 1 to September 30, 2022, inventory valuation losses of NT\$2,395 K and NT\$7,243 K respectively were recognized due to the reduction of inventories to their net realizable value.

7) Property, plant and equipment

	<b>Land</b>	<b>Buildings &amp; structures</b>	<b>Machinery &amp; equipment</b>	<b>Office equipment</b>	<b>Total</b>
Cost:					
Balance at Jan 1, 2023	\$ 95,330	188,137	592,352	232,786	1,108,605
Additions	-	-	3,147	5,328	8,475
Disposal	-	-	(74,746)	(12,965)	(87,711)
Reclassification	-	-	-	2,300	2,300
Effect of changes in exchange rates	-	-	20,452	3,032	23,484
Balance at Sept 30, 2023	<b><u>\$ 95,330</u></b>	<b><u>188,137</u></b>	<b><u>541,205</u></b>	<b><u>230,481</u></b>	<b><u>1,055,153</u></b>
Balance at Jan 1, 2022	\$ 95,330	188,137	555,444	202,151	1,041,062
Additions	-	-	4,479	7,059	11,538
Disposal	-	-	-	(11,236)	(11,236)
Effect of changes in exchange rates	-	-	63,729	8,557	72,286
Balance at Sept 30, 2022	<b><u>\$ 95,330</u></b>	<b><u>188,137</u></b>	<b><u>623,652</u></b>	<b><u>206,531</u></b>	<b><u>1,113,650</u></b>
Accumulated depreciation & impairment losses:					
Balance at Jan 1, 2023	\$ -	29,450	583,105	170,097	782,652
Depreciation for the period	-	2,767	3,517	9,741	16,025
Disposal	-	-	(68,242)	(12,838)	(81,080)
Effect of changes in exchange rates	-	-	16,714	5,974	22,688
Balance at Sept 30, 2023	<b><u>\$ -</u></b>	<b><u>32,217</u></b>	<b><u>535,094</u></b>	<b><u>172,974</u></b>	<b><u>740,285</u></b>

## Empire Co and its Subsidiaries

### Notes to Consolidated Financial Statements (continued)

	Land	Buildings & structures	Machinery & equipment	Office equipment	Total
Balance at Jan 1, 2022	\$ -	25,761	550,741	160,585	737,087
Depreciation for the period	-	2,767	4,772	7,882	15,421
Disposal	-	-	-	(10,830)	(10,830)
Effect of changes in exchange rates	-	-	65,820	3,771	69,591
Balance at Sept 30, 2022	<u>\$ -</u>	<u>28,528</u>	<u>621,333</u>	<u>161,408</u>	<u>811,269</u>
Carrying value:					
Sept 30, 2023	<u>\$ 95,330</u>	<u>155,920</u>	<u>6,111</u>	<u>57,507</u>	<u>314,868</u>
Dec 31, 2022	<u>\$ 95,330</u>	<u>158,687</u>	<u>9,247</u>	<u>62,689</u>	<u>325,953</u>
Sept 30, 2022	<u>\$ 95,330</u>	<u>159,609</u>	<u>2,319</u>	<u>45,123</u>	<u>302,381</u>

#### 8) Right-of-use assets

	Buildings & structures	Transport facilities	Total
Cost of right-of-use assets:			
Balance at Jan 1, 2023	\$ 85,497	12,235	97,732
Additions	12,914	2,762	15,676
Decrease	-	(2,234)	(2,234)
Effect of changes in exchange rates	411	-	411
Balance at Sept 30, 2023	<u>\$ 98,822</u>	<u>12,763</u>	<u>111,585</u>
Balance at Jan 1, 2022	\$ 81,154	12,235	93,389
Effect of changes in exchange rates	8,263	-	8,263
Balance at Sept 30, 2022	<u>\$ 89,417</u>	<u>12,235</u>	<u>101,652</u>
Accumulated Depreciation:			
Balance at Jan 1, 2023	\$ 42,056	7,106	49,162
Provision for depreciation	13,713	1,976	15,689
Decrease	-	(1,828)	(1,828)
Effect of changes in exchange rates	636	-	636
Balance at Sept 30, 2023	<u>\$ 56,405</u>	<u>7,254</u>	<u>63,659</u>
Balance at Jan 1, 2022	\$ 22,274	4,448	26,722
Provision for depreciation	13,767	1,994	15,761
Effect of changes in exchange rates	2,825	-	2,825
Balance at Sept 30, 2022	<u>\$ 38,866</u>	<u>6,442</u>	<u>45,308</u>
Carrying value:			
Sept 30, 2023	<u>\$ 42,417</u>	<u>5,509</u>	<u>47,926</u>
Dec 31, 2022	<u>\$ 43,441</u>	<u>5,129</u>	<u>48,570</u>
Sept 30, 2022	<u>\$ 50,551</u>	<u>5,793</u>	<u>56,344</u>

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

9) Other payables

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Remuneration payable to employees, directors and supervisors, \$	60,069	73,281	59,509
Provision for liabilities - Liabilities for compensated absences	7,125	7,861	7,424
Other	39,562	48,642	42,374
	<u>\$ 106,756</u>	<u>129,784</u>	<u>109,307</u>

10) Lease liabilities

	<u>2023.9.30</u>	<u>2022.12.31</u>	<u>2022.9.30</u>
Current	<u>\$ 22,009</u>	<u>18,434</u>	<u>19,570</u>
Non-current	<u>\$ 27,579</u>	<u>30,784</u>	<u>35,416</u>

For maturity analysis, see Note 6(18) Financial instruments.

The amounts of leases recognized in profit or loss are as follows:

	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<u>July-Sept</u>	<u>July-Sept</u>	<u>Jan-Sept</u>	<u>Jan-Sept</u>
Interest expense on lease liabilities	<u>\$ 345</u>	<u>365</u>	<u>919</u>	<u>1,191</u>
Expenses for low-value leased assets	<u>\$ 57</u>	<u>35</u>	<u>179</u>	<u>181</u>

The amount of leases recognized in the cash flow statement is as follows:

	<u>2023</u>	<u>2022</u>
	<u>Jan-Sept</u>	<u>Jan-Sept</u>
Total cash outflow from leases	<u>\$ 16,570</u>	<u>16,635</u>

1. Leasing of buildings and structures

The Consolidated Company leases buildings and structures (including land use rights) as office and factory premises usually for a period of three to five years, with some leases including an option to extend the lease for the same period as the original contract at the end of the lease term.

2. Other leases

The Consolidated Company leases transport facilities for a period of four to five years.

In addition, the Consolidated Company leases office equipment generally for a term of five years; parking spaces on a one-time basis with no fixed lease term, and these leases are of low value, for which the Consolidated Company has elected to apply the exemption from recognition and not to recognize the related right-of-use assets and lease liabilities.

## Ampire Co and its Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 11) Employee benefits

##### 1. Defined benefit plans

The Consolidated Company used the actuarially determined pension cost as of December 31, 2022 and 2021 to measure and disclose pension costs for the interim periods as there were no significant market fluctuations and significant curtailments, liquidations or other significant one-time events after the reporting date in the prior year.

The breakdown of expenses reported by the Consolidated Company is as follows:

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Selling expenses	\$ 12	3	35	10
Administration	92	58	275	176
expenses	<b>\$ 104</b>	<b>61</b>	<b>310</b>	<b>186</b>

##### 2. Defined contribution plan

The pension expense under the defined contribution pension plan of the Consolidated Company's domestic companies is as follows and has been contributed to the Bureau of Labor Insurance:

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Operating costs	\$ 614	616	1,873	1,805
Selling expenses	138	126	403	379
Administration	236	222	684	656
expenses	<b>166</b>	<b>154</b>	<b>486</b>	<b>458</b>
R&D expenses	166	154	486	458
	<b>\$ 1,154</b>	<b>1,118</b>	<b>3,446</b>	<b>3,298</b>

The pension expense recognized by the Consolidated Company's foreign subsidiaries in accordance with local government regulations is as follows and has been contributed to a government-designated account:

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Operating costs	\$ 830	1,004	2,432	2,619
Selling expenses	25	24	71	72
Administration	126	187	406	483
expenses	<b>981</b>	<b>1,215</b>	<b>2,909</b>	<b>3,174</b>
	<b>\$ 981</b>	<b>1,215</b>	<b>2,909</b>	<b>3,174</b>



## Ampire Co and its Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 12) Income tax

1. The income tax expense of the Consolidated Company is as follows:

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Current income tax expense	\$ 27,150	32,613	79,268	73,177
Adjustments of current income tax for prior periods	-	(764)	-	(764)
	<b>\$ 27,150</b>	<b>31,849</b>	<b>79,268</b>	<b>72,413</b>

2. Income tax approval status

The Company's profit-seeking enterprise income tax returns have been approved by the tax authorities up to 2021 as required.

#### 13) Capital and other equity

Except as described below, there were no substantial changes in the Consolidated Company's capital and other equity between January 1 and September 30 in 2023 and 2022. Please refer to Note 6(12) to the consolidated financial statements for fiscal 2022 for related information.

1. Retained earnings

Pursuant to the Company's Articles of Incorporation, the Company's dividends are limited to 10% per annum. However, if the Company has no surplus earnings, no dividends shall be distributed.

The Company shall first pay taxes and make up for accumulated losses and then set aside a legal reserve when there are surplus earnings in the annual final accounts, except when the legal reserve has reached the Company's paid-in capital, and may set aside a special reserve according to the Company's operating needs and legal regulations. For any remaining surplus earnings, the Board of Directors may, depending on the operating needs, prepare a proposal for distribution of the surplus earnings and submit it to the shareholders' meeting for approval.

The Company's dividend policy is based on the principle of stable and balanced distribution, with consideration given not only to the shareholders' profits, but also to the accumulation of the Company's capital and the influence on the Company's operations. The portion of cash dividends distributed shall not be less than 10% of the total dividends.

(1) Legal reserve

When the Company is not in deficit, it may, by resolution of the shareholders' meeting, issue new shares or cash from the legal reserve, provided that the amount of such reserve exceeds 25% of the paid-in capital.

(2) Special reserve

As required by the FSC, the Company provides a special reserve from the current period's income and prior period's undistributed earnings for other net deductions from shareholders' equity recorded that occurred during the year; and shall not distribute the special reserve provided from the prior period's undistributed earnings in respect of other deductions from shareholders' equity accumulated in the prior period. For any subsequent reversals of other deductions from shareholders' equity, the reversed portion in respect of the earnings may be distributed.

**Ampire Co and its Subsidiaries**

**Notes to Consolidated Financial Statements (continued)**

(3) Distribution of earnings

The Company resolved at the annual general meetings on May 30, 2023 and May 31, 2022 the appropriation of earnings for fiscal 2022 and 2021, respectively, and the dividends distributed to owners are as follows:

	2022		2021	
	Dividend payout ratio (NT\$)	Amount	Dividend payout ratio (NT\$)	Amount
Dividends distributed to common stockholders:				
Cash	\$ 3.00	<b>354,839</b>	2.10	<b>248,388</b>

2. Other equity (net of tax)

	Exchange difference on translation of foreign financial statement	Unrealized gains (losses) on financial assets at FVOCI	Gains (losses) on remeasurements of defined benefit plans	Total
Balance at Jan 1, 2023	\$ 3,624	87,904	(7,791)	83,737
Exchange differences arising on translation of net assets of foreign operating entities	17,380	-	-	17,380
Unrealized gains on financial assets measured at FVOCI	-	61,215	-	61,215
Balance at Sept 30, 2023	<b>\$ 21,004</b>	<b>149,119</b>	<b>(7,791)</b>	<b>162,332</b>
Balance at Jan 1, 2022	\$ (25,067)	234,145	(5,993)	203,085
Exchange differences arising on translation of net assets of foreign operating entities	39,282	-	-	39,282
Unrealized losses on financial assets measured at FVOCI	-	(164,575)	-	(164,575)
Balance at Sept 30, 2022	<b>\$ 14,215</b>	<b>69,570</b>	<b>(5,993)</b>	<b>77,792</b>

14) Earnings per share (EPS)

	2023 July-Sept	2022 July-Sept	2023 Jan-Sept	2022 Jan-Sept
<b>Basic EPS:</b>				
Net profit for the period attributable to the Company	\$ 111,288	130,264	331,957	331,245
Weighted average number of common shares outstanding (K share)	118,280	118,280	118,280	118,280
Basic EPS (NT\$)	<b>\$ 0.94</b>	<b>1.10</b>	<b>2.81</b>	<b>2.80</b>
<b>Diluted EPS:</b>				
Net profit for the period attributable to the Company	\$ 111,288	130,264	331,957	331,245
Weighted average number of common shares outstanding (K share)	118,280	118,280	118,280	118,280
Effect of employee stock-based compensation (K share)	428	1,606	1,562	1,924
Weighted average number of common shares outstanding (K share) (diluted)	118,708	119,886	119,842	120,204
Diluted EPS (NT\$)	<b>\$ 0.94</b>	<b>1.09</b>	<b>2.77</b>	<b>2.76</b>

## Empire Co and its Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 15) Revenue from customer contracts

##### 1. Breakdown of revenue

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Major regional markets:				
Oceania	\$ 502	204	506	625
Taiwan	21,187	22,719	58,869	59,365
Asia	45,194	87,530	154,274	219,814
Africa	350	806	1,111	1,370
America	82,006	155,374	268,399	361,286
Europe	369,638	392,551	1,184,743	1,092,700
	<b><u>\$ 518,877</u></b>	<b><u>659,184</u></b>	<b><u>1,667,902</u></b>	<b><u>1,735,160</u></b>
Main product/service lines:				
TFT	\$ 473,475	564,729	1,521,686	1,465,886
TN.STN.FSTN	41,592	90,584	130,818	259,959
Other	3,810	3,871	15,398	9,315
	<b><u>\$ 518,877</u></b>	<b><u>659,184</u></b>	<b><u>1,667,902</u></b>	<b><u>1,735,160</u></b>

##### 2. Contract balance

	<b>2023.9.30</b>	<b>2022.12.31</b>	<b>2022.9.30</b>
Accounts receivable	<b><u>\$ 242,306</u></b>	<b><u>363,587</u></b>	<b><u>302,327</u></b>

Refer to Note 6(5) for the disclosure of accounts receivable and impairment.

#### 16) Remuneration of employees and directors

As stipulated in the Company's Articles of Incorporation, if a profit is made in a year, the Company shall deduct the accumulated losses from its profit before taxation for that year and set aside a maximum of 5% to 12% of the balance for the remuneration of its employees and 3% for the remuneration of its directors.

The amounts of compensation of NT\$15,730 K, NT\$18,209 K, NT\$46,207 K and NT\$45,777 K set aside for employees and NT\$4,719 K, NT\$5,463 K, NT\$13,862 K and NT\$13,733 K for directors, from July 1 to September 30, 2023 and 2022 and from January 1 to September 30, 2023 and 2022, respectively, were estimated based on the Company's pre-tax profit for the periods before deducting the compensation for employees and directors multiplied by the distribution percentages of compensation for employees and directors as stipulated in the Company's Articles of Incorporation and reported as operating costs or operating expenses for the periods. If the actual amount distributed in the following year differs from the estimated amount, the difference is treated as a change in accounting estimate and recognized as profit or loss in the following year.

The amounts set aside for employees' remuneration for fiscal 2022 and 2021 were NT\$54,791 K and NT\$40,339 K, respectively, and the amounts set aside for directors' remuneration were NT\$18,490 K and NT\$12,998 K, respectively, which did not differ from those actually distributed. Related information is available at the Market Observation Post System.

**Ampire Co and its Subsidiaries**

**Notes to Consolidated Financial Statements (continued)**

17) Non-operating income and expenses

1. Interest income

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Interest on bank deposits	\$ 3,591	1,153	12,021	2,141
Interest income on financial assets at amortized cost	3,600	1,204	8,072	4,152
Other interest income	-	-	7	4
	<b>\$ 7,191</b>	<b>2,357</b>	<b>20,100</b>	<b>6,297</b>

2. Other income

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Dividend income	\$ 1,017	-	33,258	40,455
Molds, jigs and rework revenue	772	665	2,429	4,241
Other	2,061	1,210	3,494	2,256
	<b>\$ 3,850</b>	<b>1,875</b>	<b>39,181</b>	<b>46,952</b>

3. Other gains and losses

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Foreign currency exchange gain	\$ 18,992	21,476	14,081	42,326
Loss on disposal and scrapping of property, plant and equipment	(2,394)	(3)	(6,607)	(369)
Other	(34)	(17)	(493)	(113)
	<b>\$ 16,564</b>	<b>21,456</b>	<b>6,981</b>	<b>41,844</b>

4. Financial costs

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Amortization of interest on lease liabilities	<b>\$ 345</b>	<b>365</b>	<b>919</b>	<b>1,191</b>

18) Financial instruments

Except as stated below, there were no significant changes in the fair value of the Consolidated Company's financial instruments and exposure to credit risk, liquidity risk and market risk due to financial instruments, as described in Note 6(17) to the consolidated financial statements for fiscal 2022.

## Empire Co and its Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 1. Credit risk

##### (1) Concentration of credit risk

The Consolidated Company's concentration of credit risk with its largest customer, Company A, did not exceed 35.32%, 18.62% and 14.00% of total receivables as of September 30, 2023, December 31 and September 30, 2022, respectively; the concentration of credit risk with its top four customers did not surpass 36.25%, 46.47% and 36.57% of total receivables, respectively.

##### (2) Credit risk on receivables

Refer to Note 6(5) for details of credit risk exposures on receivables. Other financial assets measured at amortized cost include other receivables and certificates of deposit.

All of the above are financial assets with low credit risk and therefore the loss allowances for the period were measured at the expected credit loss amount for the 12-month period. Time deposits and other receivables held by the Consolidated Company are considered to have low credit risk because the counterparties and other parties to the contracts are creditworthy or are financial institutions with investment grade or above.

The Consolidated Company's other financial assets measured at amortized cost as at September 30, 2023, December 31 and September 30, 2022 had no provision for losses due to expected credit losses over 12 months.

#### 2. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including the effect of estimated interest.

	Carrying amount	Contractual cash flow	Within 12 months	1-2 yrs	2-5 yrs	Over 5 yrs
<b>Sept 30, 2023</b>						
Non-derivative financial liabilities						
Accounts payable	\$ 204,592	204,592	204,592	-	-	-
Other payables	106,756	106,756	106,756	-	-	-
Lease liabilities (incl. those due within one year)	49,588	51,179	23,050	22,064	6,065	-
	<b>\$ 360,936</b>	<b>362,527</b>	<b>334,398</b>	<b>22,064</b>	<b>6,065</b>	<b>-</b>
<b>Dec 31, 2022</b>						
Non-derivative financial liabilities						
Accounts payable	\$ 220,997	220,997	220,997	-	-	-
Other payables	129,784	129,784	129,784	-	-	-
Lease liabilities (incl. those due within one year)	49,218	50,908	19,436	17,651	13,821	-
	<b>\$ 399,999</b>	<b>401,689</b>	<b>370,217</b>	<b>17,651</b>	<b>13,821</b>	<b>-</b>
<b>Sept 30, 2022</b>						
Non-derivative financial liabilities						
Accounts payable	\$ 296,295	296,295	296,295	-	-	-
Other payables	109,307	109,307	109,307	-	-	-
Lease liabilities (incl. those due within one year)	54,986	57,031	20,708	17,961	18,362	-
	<b>\$ 460,588</b>	<b>462,633</b>	<b>426,310</b>	<b>17,961</b>	<b>18,362</b>	<b>-</b>

The Consolidated Company does not expect that the cash flows analyzed at maturity will occur significantly earlier or that the actual amounts will be substantially different.

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

3. Market risk

(1) Exchange rate risk

The Consolidated Company's financial assets and liabilities that are exposed to enormous foreign currency exchange rate risk are as follows:

				<b>2023.9.30</b>		
				<b>Foreign currency</b>	<b>Exchange rate</b>	<b>NT dollar</b>
<u>Financial assets</u>						
<u>Monetary items</u>						
USD	\$	17,330		32.275		559,326
HKD		187		4.1240		771
Chinese Yuan		80,802		4.4150		356,741
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD		2,860		32.275		92,307
HKD		431		4.1240		1,777
Chinese Yuan		4,615		4.4150		20,375
				<b>2022.12.31</b>		
				<b>Foreign currency</b>	<b>Exchange rate</b>	<b>NT dollar</b>
<u>Financial assets</u>						
<u>Monetary items</u>						
USD	\$	19,552		30.720		600,637
HKD		185		3.9400		729
Chinese Yuan		42,033		4.4110		185,408
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD		3,045		30.720		93,542
HKD		378		3.9400		1,489
Chinese Yuan		5,906		4.4110		26,051

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

	2022.9.30		
	Foreign currency	Exchange rate	NT dollar
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 15,607	31.755	495,600
HKD	200	4.0460	809
Chinese Yuan	44,308	4.4800	198,500
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	3,021	31.755	95,932
HKD	367	4.0460	1,485
Chinese Yuan	7,962	4.4800	35,670

(2) Sensitivity analysis

The Consolidated Company's exchange rate risk arises primarily from foreign currency-denominated cash and cash equivalents, financial assets carried at amortized cost, accounts receivable and other receivables, accounts payable and other payables, which give rise to foreign currency exchange gains upon translation. As of September 30, 2023 and 2022, if the New Taiwan dollar had depreciated or appreciated by 1% against the U.S. dollar, Hong Kong dollar and Chinese yuan, all other factors remaining constant, post-tax profit would increase by NT\$6,419 K and NT\$4,495 K for the periods from January 1 to September 30, 2023 and 2022, respectively. The same basis of analysis applied to the two periods.

(3) Exchange gains and losses on monetary items

Due to the variety of the Consolidated Company's functional currencies, information on exchange gains and losses on monetary items is presented on a consolidated basis, with foreign currency exchange gains (both realized and unrealized) amounting to NT\$14,081 K and NT\$42,326 K from January 1 to September 30, 2023 and 2022, respectively.

4. Other price risk

If the price of equity securities had changed at the reporting date (the same basis of analysis was adopted for both periods and other variable factors were assumed to be constant), the effect on the comprehensive income item would have been as follows:

	2023 Jan-Sept	2022 Jan-Sept
	Other comprehensive income after tax	Other comprehensive income after tax
<u>Securities prices on reporting date</u>		
Up 1%	\$ 7,006	6,031
Down 1%	\$ (7,006)	(6,031)

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

5. Fair value information

(1) Types and fair values of financial instruments

The Consolidated Company's financial assets at FVPL and financial assets at FVOCI are measured at fair value on a recurring basis. The carrying amounts and fair values of each class of financial assets and financial liabilities (including information on the fair value hierarchy, except for financial instruments not carried at fair value whose carrying amounts are a reasonable approximation of fair value and lease liabilities for which disclosure of fair value information is not required) are presented below:

	<b>2023.9.30</b>				
	<b>Carrying amount</b>	<b>Fair value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Financial assets at FVOCI</b>					
Domestic OTC-listed					
stocks	\$ 258,977	258,977	-	-	258,977
Domestic non-					
Exchange/OTC-listed					
stocks	441,597	-	-	441,597	441,597
<b>Total</b>	<b>\$ 700,574</b>	<b>258,977</b>	<b>-</b>	<b>441,597</b>	<b>700,574</b>
<b>Financial assets at amortized cost</b>					
Cash and cash					
equivalents	\$ 313,085	-	-	-	-
Accounts receivable	242,306	-	-	-	-
Other receivables	13,278	-	-	-	-
Certificates of deposit	504,348	-	-	-	-
Refundable deposits	6,876	-	-	-	-
<b>Total</b>	<b>\$ 1,079,893</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities at amortized cost</b>					
Accounts payable	\$ 204,592	-	-	-	-
Other payables	106,756	-	-	-	-
Lease liabilities (incl. those due within one year)	49,588	-	-	-	-
<b>Total</b>	<b>\$ 360,936</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

	2022.12.31				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at FVOCI</b>					
Domestic OTC-listed					
stocks	\$ 185,103	185,103	-	-	185,103
Domestic non-					
Exchange/OTC-listed					
stocks	436,325	-	-	436,325	436,325
Total	<u>\$ 621,428</u>	<u>185,103</u>	<u>-</u>	<u>436,325</u>	<u>621,428</u>
<b>Financial assets at amortized cost</b>					
Cash and cash					
equivalents	\$ 358,325	-	-	-	-
Accounts receivable	363,587	-	-	-	-
Other receivables	10,947	-	-	-	-
Certificates of deposit	268,434	-	-	-	-
Refundable deposits	6,877	-	-	-	-
Total	<u>\$ 1,008,170</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Financial liabilities at amortized cost</b>					
Accounts payable	\$ 220,997	-	-	-	-
Other payables	129,784	-	-	-	-
Lease liabilities (incl. those due within one year)	49,218	-	-	-	-
Total	<u>\$ 399,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>2022.9.30</b>					
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at FVPL</b>					
Structured deposits	<u>\$ 42,490</u>	<u>-</u>	<u>42,828</u>	<u>-</u>	<u>42,828</u>
<b>Financial assets at FVOCI</b>					
Domestic OTC-listed					
stocks	\$ 173,222	173,222	-	-	173,222
Domestic non-					
Exchange/OTC-listed					
stocks	429,872	-	-	429,872	429,872
Total	<u>\$ 603,094</u>	<u>173,222</u>	<u>-</u>	<u>429,872</u>	<u>603,094</u>

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

	2022.9.30				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
<b>Financial assets at</b>					
<b>amortized cost</b>					
Cash and cash equivalents	\$ 242,182	-	-	-	-
Notes and accounts receivable	302,327	-	-	-	-
Other receivables	18,713	-	-	-	-
Certificates of deposit	213,594	-	-	-	-
Refundable deposits	6,916	-	-	-	-
<b>Total</b>	<b>\$ 783,732</b>	-	-	-	-
<b>Financial liabilities at</b>					
<b>amortized cost</b>					
Notes and accounts payable	\$ 296,295	-	-	-	-
Other payables	109,307	-	-	-	-
Lease liabilities (incl. those due within one year)	54,986	-	-	-	-
<b>Total</b>	<b>\$ 460,588</b>	-	-	-	-

(2) Fair value valuation techniques for financial instruments measured at fair value

Where there is an active market for publicly quoted prices for non-derivative financial instruments, the fair value is based on the publicly quoted prices in the active market. Market prices, published by major exchanges as well as by the OTC exchanges for central government bonds judged to be on-the-run securities, constitute the basis for the fair value of Exchange/OTC-listed equity instruments and debt instruments for which there is an active market for publicly quoted prices.

A financial instrument has an active market for public quotations if public quotations are obtained from an exchange, broker, underwriter, industry association, pricing service provider or competent authority in a timely and regular manner and the price represents an actual and regular arm's length market transaction. If these conditions are not met, the market is considered to be inactive. Generally speaking, a very wide bid-ask spread, a marked increase in the bid-ask spread or low trading volume are all indicators of an inactive market.

The fair values of financial instruments held by the Consolidated Company that have an active market are shown below by category and attribute:

The fair value of OTC-listed stocks, which are financial assets with standard terms and conditions and traded in an active market, is determined by reference to quoted market prices.

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

The fair values of financial instruments held by the Consolidated Company that do not have an active market are shown below by category and attribute:

- Equity instruments that are not publicly quoted: Fair values are estimated using the market comparable company method, with key assumptions based on estimated earnings per share, net worth per share, market value to revenue ratio and quoted market prices of the investee and comparable Exchange/OTC-listed companies. The estimates are adjusted for the effect of the lack of marketability discount on the equity securities.
- Non-publicly quoted structured deposits: Fair value is estimated using a discounted cash flow model whose key assumptions are that the fair value is measured by expected future cash flows discounted at a rate of return that reflects the time value of money and investment risk.

(3) Transfers between Level 1 and Level 2

There were no transfers between January 1 and September 30, 2023 and 2022.

(4) Schedule of changes in Level 3

	<b>Measured at FVOCI</b>
	<b>Non-Exchange/ OTC-listed stocks</b>
Jan 1, 2023	\$ 436,325
Total gain - recognized in other comprehensive income	37,967
Proceeds from capital reduction	(32,695)
Sept 30, 2023	<b>\$ 441,597</b>
Jan 1, 2022	\$ 486,514
Total loss - recognized in other comprehensive income	(129,491)
Purchase	116,800
Proceeds from capital reduction	(43,951)
Sept 30, 2022	<b>\$ 429,872</b>

The above total gains or losses are reported as "Unrealized valuation gains (losses) on financial assets measured at FVOCI." Of these amounts, those related to assets still held at September 30, 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Total gain or loss				
Recognized in other comprehensive income (reported as "Unrealized valuation gains (losses) on financial assets measured at FVOCI)	\$ 8,534	(18,318)	37,967	(129,491)

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

(5) Quantitative information on fair value measurements of significant unobservable inputs (Level 3)

The fair value measurements of the Consolidated Company classified as Level 3 are through investments in financial assets - equity securities - that are measured at FVOCI.

The Consolidated Company's investments in equity instruments with no active market have plural significant unobservable inputs. Significant unobservable inputs from investments in equity instruments with no active market are not correlated with each other as they are independent of each other

A list of quantitative information for significant unobservable inputs is shown below:

<u>Item</u>	<u>Valuation techniques</u>	<u>Significant unobservable input value</u>	<u>Significant unobservable input value to fair value relationship</u>
Financial assets at FVOCI - Domestic non-Exchange / OTC-listed stocks	Market approach	<ul style="list-style-type: none"> <li>• Lack of marketability discount (30% each on 2023.9.30, 2022.12.31 and 2022.9.30)</li> <li>• Share price operating income ratio multiplier (1.68-16.57, 1.27-14.29 and 1.08-49.26 on 2023.9.30, 2022.12.31 and 2022.9.30 respectively)</li> <li>• Net share price ratio multiplier (0.00-9.42, 1.12-8.44 and 0-41.19 on 2023.9.30, 2022.12.31 and 2022.9.30 respectively)</li> <li>• Price-earnings ratio multiplier (17.30-37.91, 2.24-47.01 and 2.09-42.14 on 2023.9.30, 2022.12.31 and 2022.9.30 respectively)</li> </ul>	<ul style="list-style-type: none"> <li>• The higher the discount for lack of marketability, the lower the fair value</li> <li>• The higher the multiplier, the higher the fair value</li> </ul>
	Asset approach	<ul style="list-style-type: none"> <li>• Net asset value</li> <li>• Acquisition price</li> </ul>	N/A

(6) Analysis of the sensitivity of fair value to reasonably possible alternative assumptions for Level 3 fair value measurements

The Consolidated Company's measurement of the fair value of financial instruments is reasonable, but the use of different valuation models or valuation parameters may result in different valuation results. For financial instruments classified as level 3, the effect on other comprehensive income if the valuation parameters are changed is as follows:

	<u>Input value</u>	<u>Up or down</u>	<u>Fair value changes reflected in other comprehensive income</u>	
			<u>Favorable changes</u>	<u>Unfavorable changes</u>
<b>Sept 30, 2023</b>				
Financial assets at FVOCI - Domestic non-Exchange/OTC-listed stocks	Liquidity discount	5%	5,667	(5,667)
	Market multiplier	5%	5,694	(5,630)
<b>Dec 31, 2022</b>				
Financial assets at FVOCI - Domestic non-Exchange/OTC-listed stocks	Liquidity discount	5%	7,474	(7,474)
	Market multiplier	5%	7,511	(7,417)

## Empire Co and its Subsidiaries

### Notes to Consolidated Financial Statements (continued)

	Input value	Up or down	Fair value changes reflected in other comprehensive income	
			Favorable changes	Unfavorable changes
<b>Sept 30, 2022</b>				
Financial assets at FVOCI - Domestic non-Exchange/OTC-listed stocks	Liquidity discount	5%	8,557	(8,557)
	Market multiplier	5%	8,491	(8,622)

Favorable and unfavorable changes in the Consolidated Company represent fluctuations in fair value, which is calculated using valuation techniques, based on varying degrees of unobservable input parameters. Where the fair value of a financial instrument is affected by more than one input, the above table only reflects the effect of changes in a single input and does not take into account the correlation and variability between inputs.

#### 19) Financial risk management

The Consolidated Company's financial risk management objectives and policies have not changed considerably from those disclosed in Note 6(18) to the consolidated financial statements for fiscal 2022.

#### 20) Capital management

The Consolidated Company's capital management objectives, policies and procedures are consistent with those disclosed in the consolidated financial statements for fiscal 2022, and there have been no material changes to the aggregated quantitative data for items managed as capital from those disclosed in the consolidated financial statements for fiscal 2022. For related information, see Note 6(19) to the consolidated financial statements for fiscal 2022.

#### 21) Non-cash investing and fundraising activities

The Consolidated Company's non-cash investing and fundraising activities from January 1 to September 30, 2023 and 2022 are as follows:

1.	2023 July-Sept	2022 July-Sept	2023 Jan-Sept	2022 Jan-Sept
Change in fair value of financial assets at FVOCI for the year	\$ 10,019	(46,402)	61,215	(164,575)

2. For right-of-use asset acquired under lease, refer to Note 6(8).

3. A reconciliation of the liabilities arising from financing activities is shown in the table below:

		Non-cash change				
		Increase	FX rate changes	Changes in lease payments		
	2023.1.1	Cash flow			2023.9.30	
Lease liabilities	\$ 49,218	(15,472)	15,676	572	(406)	49,588

		Non-cash change				
		Increase	FX rate changes	Changes in lease payments		
	2022.1.1	Cash flow			2022.9.30	
Lease liabilities	\$ 68,702	(15,263)	-	1,547	-	54,986

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

**7. Related party transactions**

1) Key management transactions

Key management compensation includes:

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>
Short-term employee benefits	<u>\$ 10,621</u>	<u>12,013</u>	<u>33,334</u>	<u>34,603</u>

**8. Assets pledged: Nil.**

**9. Significant contingent liabilities and unrecognized contractual commitments**

Significant unrecognized contractual commitments

	<b>2023.9.30</b>	<b>2022.12.31</b>	<b>2022.9.30</b>
Guaranteed notes issued in connection with purchase guarantee	<u>\$ 15,000</u>	<u>15,000</u>	<u>15,000</u>

**10. Losses due to major disaster: Nil.**

**11. Significant events after the reporting period: Nil.**

**12. Other**

1) The employee benefits, depreciation and amortization expense functions are summarized below:

Function	July-Sept 2023			July-Sept 2022		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expense						
Salaries expense	17,376	24,599	41,975	24,694	26,000	50,694
Labor and health insurance expense	1,862	1,118	2,980	3,145	2,103	5,248
Pension expense	1,444	795	2,239	1,620	774	2,394
Directors' remuneration	-	6,862	6,862	-	5,395	5,395
Other employee benefit expense	1,750	769	2,519	3,005	821	3,826
Depreciation expense	7,877	2,758	10,635	7,287	2,915	10,202
Amortization expense	6	149	155	33	167	200

Function	Jan-Sept 2023			Jan-Sept 2022		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expense						
Salaries expense	72,058	72,169	144,227	71,450	72,675	144,125
Labor and health insurance expense	5,638	3,763	9,401	4,953	3,454	8,407
Pension expense	4,305	2,360	6,665	4,424	2,234	6,658
Directors' remuneration	-	18,947	18,947	-	18,637	18,637
Other employee benefit expense	6,283	2,346	8,629	8,668	2,354	11,022
Depreciation expense	23,494	8,220	31,714	22,446	8,736	31,182
Amortization expense	46	463	509	100	353	453

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

2) Seasonality of operations:

The Consolidated Company's operations are not affected by seasonal or cyclical factors.

**13. Note disclosures**

1) Information on significant transactions

Information required by the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the period from January 1 to September 30, 2023 to be disclosed in connection with the Consolidated Company's significant transactions is as follows:

1. Lending of funds to others: Nil.
2. Endorsements/guarantees for others: Nil.
3. Securities held at the end of the period (excluding investments in subsidiaries, affiliates and joint venture interests):

In K share

Holding company	Type and name of securities	Relation with securities issuer	Listed items	End of period				Remarks
				No. of shares	Carrying amount	Shareholding ratio	Fair value	
Ampire Co	Integrated Digital Technologies, Inc	-	Financial assets at FVPL-non-current	936	-	3.27 %	-	-
Ampire Co	Top Taiwan VIII Venture Capital Co	Ampire Co is a director	Financial assets at FVOCI - non-current	580	9,801	3.33 %	9,801	-
Ampire Co	Top Taiwan IX Venture Capital Co	Ampire Co is a director	Financial assets at FVOCI - non-current	5,250	114,746	12.50 %	114,746	-
Ampire Co	Top Taiwan XI Venture Capital Co	Ampire Co is a director	Financial assets at FVOCI - non-current	3,413	80,459	6.25 %	80,459	-
Ampire Co	Top Taiwan XII Venture Capital Co	Ampire Co is a director	Financial assets at FVOCI - non-current	10,000	124,834	7.41 %	124,834	-
Ampire Co	Top Taiwan XIV Venture Capital Co	Ampire Co is a director	Financial assets at FVOCI - non-current	10,000	99,628	4.59 %	99,628	-
Ampire Co	Racer Tech Co	-	Financial assets at FVOCI - non-current	1,140	12,129	9.37 %	12,129	-
Ampire Co	Amicom Electronics Corp	-	Financial assets at FVOCI - non-current	2,800	78,680	5.07 %	78,680	-
Ampire Co	IBASE Technology Inc	-	Financial assets at FVOCI - non-current	1,451	137,845	0.74 %	137,845	-
Ampire Co	STL Technology Co	-	Financial assets at FVOCI - non-current	1,271	42,452	1.97 %	42,452	-

4. Cumulative purchases or sales of the same securities amounting to at least NT\$300 million or 20% of the paid-in capital: Nil.
5. Acquisition of real property amounting to at least NT\$300 million or 20% of the paid-in capital: Nil.
6. Disposal of real property amounting to at least NT\$300 million or 20% of the paid-in capital: Nil.
7. Purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital:

Purchase/sales company	Counterparty	Relation	Transaction				Circumstances under which the terms of the transaction differ from those of general transactions and the reasons therefor		Notes and accounts receivable/payable		Remarks
			Purchase /sales	Amount	As a percentage of total purchases/sales	Credit period	Unit price	Credit period	Balance	As a percentage of total notes and accounts receivable/ payable	
Sino Advance Inc.	Tangyu Electronics Co	Parent-subsidiary	Sales	(335,975)	(36.50)%	-	-	-	85,446	28.17%	Note
Tangyu Electronics Co	Sino Advance Inc.	Parent-subsidiary	Purchase	335,975	87.42%	-	-	-	(85,446)	(87.98)%	Note
Sino Advance Inc.	Ampire Co	Parent-subsidiary	Sales	(313,008)	(34.00)%	-	-	-	217,827	71.83%	Note
Ampire Co	Sino Advance Inc.	Parent-subsidiary	Purchase	313,008	31.54%	-	-	-	(217,827)	(60.60)%	Note
Tangyu Electronics Co	Sino Advance Inc.	Parent-subsidiary	Sales	(572,700)	(100.00)%	-	-	-	81,959	100.00%	Note
Sino Advance Inc.	Tangyu Electronics Co	Parent-subsidiary	Purchase	572,700	63.50%	-	-	-	(81,959)	(78.18)%	Note

Note: The transactions have been eliminated in the preparation of the consolidated financial statements.

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

8. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital:

Company with accounts receivable	Counterparty	Relation	Balance of receivables from related parties	Turnover	Overdue receivables from related parties		Subsequent recoveries of receivables from related parties	Provision for loss allowances
					Amount	Treatment		
Sino Advance Inc.	Ampire Co	Parent-subsidiary	217,827	2.04	-		32,275	-

Note: The transactions have been eliminated in the preparation of the consolidated financial statements.

9. Engagement in derivatives trading: Nil.

10. Business relationships and significant transactions between parent and subsidiary:

No.	Trader	Counterparty	Relation with trader	Transaction			
				Item	Amount	Trading conditions	As a percentage of consolidated total operating revenue or total assets
1	Sino Advance Inc.	Tangyu Electronics Co	1	Sales	335,975	As per general conditions	20.14%
1	Sino Advance Inc.	Tangyu Electronics Co	1	Accounts receivable	85,446	As per general conditions	3.36%
1	Sino Advance Inc.	Ampire Co	2	Sales	313,008	Commissioned processing on a discretionary prepayment basis	18.77%
1	Sino Advance Inc.	Ampire Co	2	Accounts receivable	217,827	As per general conditions	8.56%
2	Tangyu Electronics Co	Sino Advance Inc.	2	Sales	572,700	As per general conditions	34.34%
2	Tangyu Electronics Co	Sino Advance Inc.	2	Accounts receivable	81,959	As per general conditions	3.22%

Note 1: The numbers are filled in as follows:

1. 0 represents the parent company.
2. The subsidiaries are numbered by company, starting with the Arabic numeral 1.

Note 2: The type of relationship with the trader is indicated as follows:

1. Parent vs. subsidiary.
2. Subsidiary vs. parent.
3. Subsidiary vs. subsidiary.

Note 3: Information on business relationships and significant transactions between parents and subsidiaries is disclosed only for sales and accounts receivable, while the corresponding purchases and payables are not further elaborated.

Note 4: The above transactions have been eliminated in the preparation of the consolidated financial statements.

2) Information on investees (excl. Chinese investees):

Information on the Consolidated Company's investment business from January 1 to September 30, 2023 is as follows:

In NT\$ K / US\$ K / K share

Investing company	Investee	Location	Business	Initial investment amount		Holdings at end of period			Investee profit/loss for the period	Profit/loss on investments recognized in the period	Remarks
				End of period	End of last year	Number of shares	Ratio	Carrying amount			
Ampire Co	Asia Ampire (H.K.) Co., Ltd	HK	Sale of LCD modules	3,000	3,000	674	100.00%	127	-	-	Note
Ampire Co	American Ampire, Inc.	US	Sale of LCD modules	452	452	14	100.00%	-	-	-	Note
Ampire Co	Ampire Co., Ltd. (B.V.I.)	BVI	Investment holding	734,415	734,415	23,259	100.00%	365,254	32,742	32,713	Note
Ampire Co., Ltd. (B.V.I.)	Sino Advance Inc.	Samoa	Sale of LCD modules	749,555 (USD23,224)	749,555 (USD23,224)	23,224	100.00%	365,127 (USD11,313)	32,726 (USD1,058)	32,726 (USD1,058)	Note

Note: The transaction has been eliminated in the preparation of the consolidated financial statements.



**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

3) Information on investment in mainland China:

1. Information about businesses investing in China:

In NT\$ K /US\$ K

Chinese investee	Business	Paid-in capital	Investment approach	Cumulative investment remitted from Taiwan at beginning of period	Investment remitted or recovered during the period		Cumulative investment remitted from Taiwan at end of period	Investee's profit/loss for the period	Percentage of the Company's shareholding in direct or indirect investments	Investment gains and losses recognized during the period	Carrying value of investments at end of period	Investment income repatriated up to the period
					Remittance	Recovery						
Tangyu (Dongguan) Electronics Co	Design, manufacture and processing of LCD modules	685,456 (USD21,238)	(2)	678,808 (USD21,032)	-	-	678,808 (USD21,032)	30,313 (USD980)	100.00%	30,313 (USD980)	288,022 (USD8,924)	-

Note 1: Based on the financial statements reviewed by the auditor in the same period.

Note 2: Investments were made through Sino Advance Inc. and Ampire Co., Ltd. (B.V.I).

Note 3: The above transactions have been eliminated in the preparation of the consolidated financial statements.

2. Investment quota in China:

Cumulative investment remitted from Taiwan to China at the end of period	Investment approved by MOEA Investment Commission	Investment quota in China set by MOEA Investment Commission
678,808 (US\$21,032 K)	761,690 (US\$23,600 K)	1,287,287 Note 2

Note 1: The exchange rate of the NT dollar against the U.S. dollar on September 30, 2023 was USD1:NTD32.275; the average exchange rate of the NT dollar against the U.S. dollar from January 1 to September 30, 2023 was USD1:NTD30.9315.

Note 2: Net worth 60%.

3. Significant transactions:

Significant direct or indirect transactions between the Consolidated Company and its investees in China from January 1 to September 30, 2023 were eliminated in the preparation of the consolidated financial statements, as described in the "Information on Significant Transactions."

4) Information on major shareholders:

Major shareholder	Shares	Number of shares held	Shareholding ratio
Amicom Electronics Corp		6,492,000	5.48%

Notes:

- (1) Information on major shareholders in this table is calculated by Taiwan Depository & Clearing Corp on the last business day at the end of each quarter for those holding 5% or more of the common shares and preferred shares (including treasury shares) that have been delivered by the Company upon completion of dematerialization. There may be discrepancies between the share capital recorded in the Company's financial statements and the actual number of shares delivered by the Company upon completion of dematerialization, depending on the basis of preparations and calculations.
- (2) Where the above information involves the transfer of shareholdings by shareholders to a trust, it is disclosed by trustors' individual segregated accounts opened by the trustees. For insider equity reporting under the Securities and Exchange Act by shareholders holding more than 10% of the shares, including their own shares plus shares held in trust with discretionary power over the trust property, refer to the Market Observation Post System for information on insider equity reporting.

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements (continued)**

**14. Segment information**

The information and reconciliation of the operating departments of the Consolidated Company are as follows:

	Domestic	Asia	Adjustments & Eliminations	Total
<b>July-Sept 2023</b>				
Revenue:				
Revenue from external customers	\$ 518,877	-	-	518,877
Inter-segment revenue	-	172,464	(172,464)	-
<b>Total revenue</b>	<b>\$ 518,877</b>	<b>172,464</b>	<b>(172,464)</b>	<b>518,877</b>
<b>Reportable segment profit or loss</b>	<b>\$ 135,941</b>	<b>14,162</b>	<b>(11,665)</b>	<b>138,438</b>

	Domestic	Asia	Adjustments & Eliminations	Total
<b>July-Sept 2022</b>				
Revenue:				
Revenue from external customers	\$ 658,173	1,011	-	659,184
Inter-segment revenue	985	246,147	(247,132)	-
<b>Total revenue</b>	<b>\$ 659,158</b>	<b>247,158</b>	<b>(247,132)</b>	<b>659,184</b>
<b>Reportable segment profit or loss</b>	<b>\$ 158,437</b>	<b>17,500</b>	<b>(13,824)</b>	<b>162,113</b>

	Domestic	Asia	Adjustments & Eliminations	Total
<b>Jan-Sept 2023</b>				
Revenue:				
Revenue from external customers	\$ 1,667,902	-	-	1,667,902
Inter-segment revenue	-	587,612	(587,612)	-
<b>Total revenue</b>	<b>\$ 1,667,902</b>	<b>587,612</b>	<b>(587,612)</b>	<b>1,667,902</b>
<b>Reportable segment profit or loss</b>	<b>\$ 402,012</b>	<b>41,955</b>	<b>(32,742)</b>	<b>411,225</b>

	Domestic	Asia	Adjustments & Eliminations	Total
<b>Jan-Sept 2022</b>				
Revenue:				
Revenue from external customers	\$ 1,733,935	1,225	-	1,735,160
Inter-segment revenue	984	644,115	(645,099)	-
<b>Total revenue</b>	<b>\$ 1,734,919</b>	<b>645,340</b>	<b>(645,099)</b>	<b>1,735,160</b>
<b>Reportable segment profit or loss</b>	<b>\$ 398,256</b>	<b>31,853</b>	<b>(26,451)</b>	<b>403,658</b>