

**Ampire Co., Ltd. and its Subsidiaries**  
**Consolidated Financial Statements &**  
**Independent Auditor's Review Report**  
Q2 2023 and 2022

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## 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	8-9
4) Consolidated explanation of material accounting policies	9-10
5) Main sources of uncertainty in significant accounting judgments, estimates and assumptions	10
6) Explanation of material accounting items	10-30
7) Related party transactions	31
8) Pledged assets	31
9) Significant contingent liabilities and unrecognized contractual commitments	31
10) Losses due to major disaster	31
11) Significant events after the reporting period	31
12) Others	31-32
13) Note disclosures	
1. Information on significant transactions	32-33
2. Information on investees	33
3. Information on investment in Mainland China	34
4. Information on major shareholders	34
14) Segment information	35

## 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 June 30, 2023 and 2022; the Consolidated Statement of Comprehensive Income for the periods between April 1 and June 30, 2023 and 2022 and the periods between January 1 and June 30, 2023 and 2022; the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the periods from January 1 to June 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 of Ampire Co. 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 June 30, 2023 and 2022; the consolidated financial performance for the periods between April 1 and June 30, 2023 and 2022 and the periods between January 1 and June 30, 2023 and 2022; and consolidated cash flows for the periods from January 1 to June 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)

July 31, 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**  
**Jun 30, 2023, Dec 31 and Jun 30, 2022**

In NT\$ K

Assets		2023.6.30		2022.12.31		2022.6.30		Liabilities and Equity		2023.6.30		2022.12.31		2022.6.30	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
<b>Current assets:</b>								<b>Current liabilities:</b>							
1100	Cash and cash equivalents (Note 6(1))	\$ 563,459	20	358,325	14	476,690	18	2170	Accounts payable	\$ 173,001	6	220,997	9	325,198	12
1110	Financial assets at FVPL - current (Note 6(2))	-	-	-	-	35,426	1	2200	Other payables (Note 6(9))	509,285	18	129,784	5	383,213	14
1137	Financial assets at amortized cost - current (Note 6(4))	543,663	20	268,434	11	234,683	9	2230	Current tax liabilities	47,505	2	63,611	2	39,336	1
1170	Notes and accounts receivable, net (Note 6(5), (15))	229,374	8	363,587	14	327,453	12	2280	Lease liabilities - current (Note 6(10))	21,096	1	18,434	1	20,505	1
1200	Other receivables	21,884	1	10,947	-	30,576	1	2300	Other current liabilities	7,379	-	12,355	-	13,685	1
1310	Inventories (Note 6(6))	398,229	14	549,896	22	625,044	23		<b>Total current liabilities</b>	<u>758,266</u>	<u>27</u>	<u>445,181</u>	<u>17</u>	<u>781,937</u>	<u>29</u>
1410	Prepayments	8,651	-	12,136	-	14,806	1		<b>Non-current liabilities:</b>						
1470	Other current assets	247	-	165	-	545	-	2580	Lease liabilities - non-current (Note 6(10))	32,256	1	30,784	1	39,142	1
	<b>Total current assets</b>	<u>1,765,507</u>	<u>63</u>	<u>1,563,490</u>	<u>61</u>	<u>1,745,223</u>	<u>65</u>	2640	Net defined benefit liabilities - non-current	12,988	-	12,782	1	17,103	1
<b>Non-current assets:</b>								<b>Total non-current liabilities</b>		<u>45,244</u>	<u>1</u>	<u>43,566</u>	<u>2</u>	<u>56,245</u>	<u>2</u>
1517	Financial assets at FVOCI - non-current (Note 6(3))	658,263	23	621,428	24	432,749	16		<b>Total liabilities</b>	<u>803,510</u>	<u>28</u>	<u>488,747</u>	<u>19</u>	<u>838,182</u>	<u>31</u>
1600	Property, plant and equipment (Note 6(7))	318,903	11	325,953	13	301,286	11		<b>Equity (Note 6(13)):</b>						
1755	Right-of-use assets (Note 6(8))	52,647	3	48,570	2	59,537	3	3100	Ordinary share capital	1,182,798	42	1,182,798	46	1,182,798	44
1780	Intangible assets	2,226	-	2,580	-	2,979	-	3200	Capital reserve	31,471	1	31,471	1	31,471	1
1840	Deferred tax assets	9,468	-	9,468	-	8,833	-		Retained earnings:						
1960	Current prepayments for investments	-	-	-	-	116,800	4	3310	Legal reserve	216,126	8	170,334	7	170,334	6
1990	Other non-current assets (Note 6(5))	8,003	-	7,024	-	23,733	1	3350	Undistributed earnings	441,464	16	621,426	24	364,483	14
	<b>Total non-current assets</b>	<u>1,049,510</u>	<u>37</u>	<u>1,015,023</u>	<u>39</u>	<u>945,917</u>	<u>35</u>		Total retained earnings	<u>657,590</u>	<u>24</u>	<u>791,760</u>	<u>31</u>	<u>534,817</u>	<u>20</u>
<b>Total assets</b>		<u>\$ 2,815,017</u>	<u>100</u>	<u>2,578,513</u>	<u>100</u>	<u>2,691,140</u>	<u>100</u>	3400	Other equity	139,648	5	83,737	3	103,872	4
									<b>Total equity</b>	<u>2,011,507</u>	<u>72</u>	<u>2,089,766</u>	<u>81</u>	<u>1,852,958</u>	<u>69</u>
									<b>Total liabilities and equity</b>	<u>\$ 2,815,017</u>	<u>100</u>	<u>2,578,513</u>	<u>100</u>	<u>2,691,140</u>	<u>100</u>

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

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

In NT\$ K

	Apr-Jun 2023		Apr-Jun 2022		Jan-Jun 2023		Jan-Jun 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
4000 <b>Operating revenue (Note 6(15))</b>	\$ 549,379	100	591,321	100	1,149,025	100	1,075,976	100
5000 <b>Operating costs (Note 6(6), (7), (8), (10), (11), (16))</b>	(372,758)	(68)	(426,428)	(72)	(806,725)	(70)	(803,950)	(75)
<b>Gross profit from operations</b>	<u>176,621</u>	<u>32</u>	<u>164,893</u>	<u>28</u>	<u>342,300</u>	<u>30</u>	<u>272,026</u>	<u>25</u>
<b>Operating expenses (Note 6(7), (8), (10), (11), (16)):</b>								
6100 Selling expenses	(15,753)	(3)	(13,195)	(2)	(29,541)	(3)	(24,501)	(2)
6200 Administration expenses	(33,501)	(6)	(32,958)	(6)	(58,078)	(5)	(57,129)	(5)
6300 R&D expenses	(10,715)	(2)	(9,115)	(1)	(19,977)	(2)	(17,430)	(2)
<b>Total operating expenses</b>	<u>(59,969)</u>	<u>(11)</u>	<u>(55,268)</u>	<u>(9)</u>	<u>(107,596)</u>	<u>(10)</u>	<u>(99,060)</u>	<u>(9)</u>
<b>Net operating profit</b>	<u>116,652</u>	<u>21</u>	<u>109,625</u>	<u>19</u>	<u>234,704</u>	<u>20</u>	<u>172,966</u>	<u>16</u>
<b>Non-operating income and expenses (Note 6(10), (17)):</b>								
7100 Interest income	7,145	1	1,937	-	12,909	1	3,940	-
7010 Other income	33,275	6	40,898	7	35,331	3	45,077	4
7020 Other gains and losses	(1,514)	-	181	-	(9,583)	(1)	20,388	2
7050 Finance costs	(274)	-	(398)	-	(574)	-	(826)	-
<b>Total non-operating income and expenses</b>	<u>38,632</u>	<u>7</u>	<u>42,618</u>	<u>7</u>	<u>38,083</u>	<u>3</u>	<u>68,579</u>	<u>6</u>
7900 <b>Net profit before tax</b>	<u>155,284</u>	<u>28</u>	<u>152,243</u>	<u>26</u>	<u>272,787</u>	<u>23</u>	<u>241,545</u>	<u>22</u>
7950 <b>Tax expense (Note 6(12))</b>	<u>(27,229)</u>	<u>(5)</u>	<u>(23,352)</u>	<u>(4)</u>	<u>(52,118)</u>	<u>(4)</u>	<u>(40,564)</u>	<u>(4)</u>
<b>Net profit for the period</b>	<u>128,055</u>	<u>23</u>	<u>128,891</u>	<u>22</u>	<u>220,669</u>	<u>19</u>	<u>200,981</u>	<u>18</u>
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	(32,835)	(6)	(62,209)	(11)	51,196	4	(118,173)	(11)
8349 Income tax relating to items that will not be reclassified	-	-	-	-	-	-	-	-
<b>Total items not reclassified to profit or loss</b>	<u>(32,835)</u>	<u>(6)</u>	<u>(62,209)</u>	<u>(11)</u>	<u>51,196</u>	<u>4</u>	<u>(118,173)</u>	<u>(11)</u>
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	7,475	1	10,330	2	4,715	1	18,960	2
8399 Income tax relating to items that may be reclassified	-	-	-	-	-	-	-	-
<b>Total items that may be reclassified subsequently to profit or loss</b>	<u>7,475</u>	<u>1</u>	<u>10,330</u>	<u>2</u>	<u>4,715</u>	<u>1</u>	<u>18,960</u>	<u>2</u>
8300 <b>Other comprehensive income for the period</b>	<u>(25,360)</u>	<u>(5)</u>	<u>(51,879)</u>	<u>(9)</u>	<u>55,911</u>	<u>5</u>	<u>(99,213)</u>	<u>(9)</u>
8500 <b>Total amount of comprehensive income for the period</b>	<u>\$ 102,695</u>	<u>18</u>	<u>77,012</u>	<u>13</u>	<u>276,580</u>	<u>24</u>	<u>101,768</u>	<u>9</u>
<b>Earnings per share (NT\$) (Note 6(13))</b>								
9750 <b>Basic earnings per share</b>	<u>\$ 1.08</u>		<u>1.09</u>		<u>1.87</u>		<u>1.70</u>	
9850 <b>Diluted earnings per share</b>	<u>\$ 1.08</u>		<u>1.08</u>		<u>1.84</u>		<u>1.66</u>	

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

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

In NT\$ K

	Ordinary share capital	Capital reserve	Retained earnings		Total	Other equity items			Total	Total equity
			Legal reserve	Undistributed earnings		Exchange difference on translation of foreign financial statement	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	-	-	-	200,981	200,981	-	-	-	-	200,981
Other comprehensive income for the period	-	-	-	-	-	18,960	(118,173)	-	(99,213)	(99,213)
Total comprehensive income for the period	-	-	-	200,981	200,981	18,960	(118,173)	-	(99,213)	101,768
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 Jun 30, 2022</b>	<b>\$ 1,182,798</b>	<b>31,471</b>	<b>170,334</b>	<b>364,483</b>	<b>534,817</b>	<b>(6,107)</b>	<b>115,972</b>	<b>(5,993)</b>	<b>103,872</b>	<b>1,852,958</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	-	-	-	220,669	220,669	-	-	-	-	220,669
Other comprehensive income for the period	-	-	-	-	-	4,715	51,196	-	55,911	55,911
Total comprehensive income for the period	-	-	-	220,669	220,669	4,715	51,196	-	55,911	276,580
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 Jun 30, 2023</b>	<b>\$ 1,182,798</b>	<b>31,471</b>	<b>216,126</b>	<b>441,464</b>	<b>657,590</b>	<b>8,339</b>	<b>139,100</b>	<b>(7,791)</b>	<b>139,648</b>	<b>2,011,507</b>

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

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

In NT\$ K

	Jan-June 2023	Jan-June 2022
<b>Cash flow from operating activities:</b>		
<b>Net profit before tax for the period</b>	\$ 272,787	241,545
<b>Adjustments:</b>		
Revenue and expense items		
Depreciation expense	21,079	20,980
Amortization expense	354	253
Interest expense	574	826
Interest income	(12,909)	(3,940)
Dividend income	(32,241)	(40,455)
Loss on disposal and scrapping of property, plant and equipment	4,213	366
Unrealized foreign currency exchange loss	4,904	1,991
Total revenue and expense items	<u>(14,026)</u>	<u>(19,979)</u>
Changes in assets and liabilities related to operating activities:		
Net change in assets related to operating activities:		
Accounts receivable	136,987	(90,364)
Other receivables	1,709	(1,222)
Inventories	165,760	(98,404)
Prepayments	1,208	6,253
Other current assets	(82)	(270)
Total net changes in assets related to operating activities	<u>305,582</u>	<u>(184,007)</u>
Net changes in liabilities related to operating activities:		
Accounts payable	(50,350)	96,008
Other payables	24,662	33,395
Other current liabilities	(4,976)	5,562
Net defined benefit liabilities	206	(32)
Total net changes in liabilities related to operating activities	<u>(30,458)</u>	<u>134,933</u>
Total net changes in assets and liabilities related to operating activities	<u>275,124</u>	<u>(49,074)</u>
Total adjustments	<u>261,098</u>	<u>(69,053)</u>
Cash inflow from operations	533,885	172,492
Interest received	10,364	4,157
Interest paid	(574)	(826)
Income tax paid	(68,224)	(42,708)
<b>Net cash inflows from operating activities</b>	<u>475,451</u>	<u>133,115</u>
<b>Cash flows from investing activities:</b>		
Disposal of financial assets at FVPL	-	8,869
Proceeds from capital reduction of financial assets at FVOCI	32,695	43,952
Disposal of financial assets at amortized cost	-	66,725
Financial assets at amortized cost	(280,622)	-
Acquisition of financial assets at FVOCI	(18,334)	-
Acquisition of property, plant and equipment	(5,307)	(6,745)
Proceeds from disposal of property, plant and equipment	17	38
Acquisition of intangible assets	-	(2,928)
Increase in other non-current assets	(979)	(9,306)
Increase in prepayments for investments	-	(116,800)
Dividends received	22,140	25,045
<b>Net cash inflow (outflow) from investing activities</b>	<u>(250,390)</u>	<u>8,850</u>
<b>Cash flows from financing activities:</b>		
Principal repayments on leases	(10,335)	(10,807)
<b>Net cash outflow from financing activities</b>	<u>(10,335)</u>	<u>(10,807)</u>
Effect of exchange rate changes	(9,592)	17,279
Increase in cash and cash equivalents for the period	205,134	148,437
Balance of cash and cash equivalents at beginning of period	358,325	328,253
Balance of cash and cash equivalents at end of period	<u>\$ 563,459</u>	<u>476,690</u>

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

**Ampire Co and its Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**Q2 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 July 31, 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 (IFRS) 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"

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

Standards and interpretations issued and amended by the International Accounting Standards Board (IASB) but not yet endorsed by the FSC that may be relevant to the Consolidated Company are as follows:

<u>New or amended standards</u>	<u>Key amendments</u>	<u>Effective date by IASB</u>
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	Current IAS 1 requires a liability to be classified as current if an enterprise does not have an unconditional right to defer settlement for at least 12 months after the reporting period. The amendment removes the requirement that the right should be unconditional and instead requires that the right must exist at the end of the reporting period and must be material.  The amendments clarify how an enterprise should classify liabilities that are settled by the issuance of its own equity instruments (e.g. convertible bonds).	Jan 1, 2024



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

New or amended standards	Key amendments	Effective date by IASB
Amendments to IAS 1 “Non-current Liabilities with Covenants”	<p>After reconsidering certain aspects of the IAS 1 amendments in 2020, the new amendments clarify that only contract terms followed on or before the reporting date will affect the classification of a liability as current or non-current.</p> <p>The contract terms (i.e. future terms) to which an enterprise is subject after the reporting date do not affect the classification of the liability at that date. However, where non-current liabilities are subject to future covenants, the enterprise is required to disclose information to help users of the financial statements understand the risk that these liabilities may be settled within 12 months of the reporting date.</p>	Jan 1, 2024

The Consolidated Company is continuously evaluating the impact of the above standards and interpretations on the Consolidated Company's financial position and results of operations, which will be disclosed upon completion of the evaluation.

The Consolidated Company does not expect the following other 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
- Amendments to IFRS 17 “Comparative Information on Initial Application of IFRS 17 and IFRS 9”
- Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”
- Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”
- Amendments to IAS 12, “International Tax Reform - Pillar Two Model Rules”

**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.

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

2) Basis of consolidation

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

Investing company	Subsidiary	Nature of business	Percentage of shareholding		
			2023.6.30	2022.12.31	2022.6.30
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. 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 net income before tax 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.

**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.

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

1) Cash and cash equivalents

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Cash	\$ 109	116	116
Demand deposits	84,169	61,575	183,527
Time deposits	479,181	296,634	293,047
	<u>\$ 563,459</u>	<u>358,325</u>	<u>476,690</u>

Please refer to Note 6(17) 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>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Structured deposits	\$ -	-	<u>35,426</u>

3) Financial assets measured at FVOCI - non-current

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Equity instruments measured at FVOCI:			
Domestic OTC-listed stocks	\$ 225,200	185,103	101,360
Domestic non-Exchange/OTC-listed stocks	433,063	436,325	331,389
	<u>\$ 658,263</u>	<u>621,428</u>	<u>432,749</u>

1. Investments in equity instruments measured at FVOCI

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

The Consolidated Company recognized dividend income of NT\$32,241 K and NT\$40,455 K for the periods from January 1 to June 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 June 30, 2023 and 2022, respectively, for the equity instrument investments designated above as measured at FVOCI.

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

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

4) Financial assets measured at amortized cost - current

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Domestic and foreign certificates of deposit	\$ 543,663	268,434	<u>234,683</u>

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

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

The Consolidated Company holds domestic and foreign certificates of deposit with a weighted average interest rate of 1.992%, 1.960% and 1.729% per annum as at June 30, 2023, December 31 and June 30, 2022, respectively, maturing From July 2023 to May 2024, from January 2023 to September 2023, and from July 2022 to June 2023, respectively.

Please refer to Note 6(18) for credit risk information.

5) Accounts receivable and collections

	<u>2023.6.30</u>	<u>2022.12.31</u>	<u>2022.6.30</u>
Notes receivable - arising from operations	\$ -	-	3
Accounts receivable - measured at amortized cost	229,374	363,587	327,450
Collections	20,146	20,146	20,146
Less: Loss allowances	(20,146)	(20,146)	(20,146)
	<u><b>\$ 229,374</b></u>	<u><b>363,587</b></u>	<u><b>327,453</b></u>

The Consolidated Company uses a simplified approach to estimate expected credit losses for all accounts receivable, which is a measure of expected credit losses over the life of the accounts receivable. For this purpose, these accounts receivable are grouped by common credit risk characteristics that represent the customer's ability to pay all amounts due under contractual terms and incorporate 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>2023.6.30</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	\$ 200,551	-	-
Below 90 days overdue	28,823	-	-
	<u><b>\$ 229,374</b></u>		<u>-</u>
	<u>2022.12.31</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	\$ 294,644	-	-
Below 90 days overdue	68,939	-	-
91-180 days overdue	4	-	-
	<u><b>\$ 363,587</b></u>		<u>-</u>
	<u>2022.6.30</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	\$ 266,661	-	-
Below 90 days overdue	60,751	-	-
91-180 days overdue	38	-	-
	<u><b>\$ 327,450</b></u>		<u>-</u>

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

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

	<b>2023.6.30</b>		
	Carrying amount of collections	Weighted-averag e 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-averag e 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>2022.6.30</b>		
	Carrying amount of collections	Weighted-averag e 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-June</b>	<b>2022 Jan-June</b>
Opening balance (i.e. closing balance)	<b>\$ 20,146</b>	<b>20,146</b>

6) Inventories

	<b>2023.6.30</b>	<b>2022.12.31</b>	<b>2022.6.30</b>
Finished products	\$ 55,250	75,641	59,818
Work in process	102,627	164,587	163,739
Raw materials	240,352	309,668	401,487
	<b>\$ 398,229</b>	<b>549,896</b>	<b>625,044</b>

The cost of goods sold is broken down as follows:

	<b>2023 April-June</b>	<b>2022 April-June</b>	<b>2023 Jan-June</b>	<b>2022 Jan-June</b>
Inventory sales transfer	\$ 368,486	421,976	795,369	787,918
Unallocated fixed manufacturing overheads and direct labor	8,362	4,966	15,201	11,171
Inventory valuation losses (gain from price recovery of inventory)	(4,100)	(527)	(3,855)	4,848
Loss on physical inventory	10	13	10	13
	<b>\$ 372,758</b>	<b>426,428</b>	<b>806,725</b>	<b>803,950</b>

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

From April 1 to June 30, 2023 and 2022, the Company recognized a gain from price recovery of inventory of NT\$4,100 K and NT\$527 K, respectively, as a result of the increase in selling price of inventories. For the period from January 1, 2023 to June 30, a gain from price recovery of inventory of NT\$3,855 K was recognized on account of the rise in selling price of inventories. From January 1 to June 30, 2022, inventory valuation losses of NT\$4,848 K were recognized due to the reduction of inventories to their net realizable value.

7) Property, plant and equipment

	Land	Buildings & structures	Machinery & equipment & other	Total
Cost:				
Balance at Jan 1, 2023	\$ 95,330	188,137	825,138	1,108,605
Additions	-	-	5,307	5,307
Disposal	-	-	(61,494)	(61,494)
Reclassification	-	-	2,277	2,277
Effect of changes in exchange rates	-	-	6,156	6,156
Balance at June 30, 2023	<b>\$ 95,330</b>	<b>188,137</b>	<b>777,384</b>	<b>1,060,851</b>
Balance at Jan 1, 2022	\$ 95,330	188,137	757,595	1,041,062
Additions	-	-	6,745	6,745
Disposal	-	-	(10,413)	(10,413)
Effect of changes in exchange rates	-	-	36,205	36,205
Balance at June 30, 2022	<b>\$ 95,330</b>	<b>188,137</b>	<b>790,132</b>	<b>1,073,599</b>
Accumulated depreciation & impairment losses:				
Balance at Jan 1, 2023	\$ -	29,450	753,202	782,652
Depreciation for the period	-	1,844	8,787	10,631
Disposal	-	-	(57,264)	(57,264)
Effect of changes in exchange rates	-	-	5,929	5,929
Balance at June 30, 2023	<b>\$ -</b>	<b>31,294</b>	<b>710,654</b>	<b>741,948</b>
Balance at Jan 1, 2022	\$ -	25,761	711,326	737,087
Depreciation for the period	-	1,844	8,629	10,473
Disposal	-	-	(10,009)	(10,009)
Effect of changes in exchange rates	-	-	34,762	34,762
Balance at June 30, 2022	<b>\$ -</b>	<b>27,605</b>	<b>744,708</b>	<b>772,313</b>
Carrying value:				
June 30, 2023	<b>\$ 95,330</b>	<b>156,843</b>	<b>66,730</b>	<b>318,903</b>
Dec 31, 2022	<b>\$ 95,330</b>	<b>158,687</b>	<b>71,936</b>	<b>325,953</b>
June 30, 2022	<b>\$ 95,330</b>	<b>160,532</b>	<b>45,424</b>	<b>301,286</b>

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

8) Right-of-use assets

	<b>Buildings &amp; structures</b>	<b>Transport facility</b>	<b>Total</b>
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	(1,076)	-	(1,076)
Balance at June 30, 2023	<b><u>\$ 97,335</u></b>	<b><u>12,763</u></b>	<b><u>110,098</u></b>
Balance at Jan 1, 2022	\$ 81,154	12,235	93,389
Effect of changes in exchange rates	4,723	-	4,723
Balance at June 30, 2022	<b><u>\$ 85,877</u></b>	<b><u>12,235</u></b>	<b><u>98,112</u></b>
Balance at Jan 1, 2023	\$ 42,056	7,106	49,162
Provision for depreciation	9,141	1,307	10,448
Decrease	-	(1,828)	(1,828)
Effect of changes in exchange rates	(331)	-	(331)
Balance at June 30, 2023	<b><u>\$ 50,866</u></b>	<b><u>6,585</u></b>	<b><u>57,451</u></b>
Balance at Jan 1, 2022	\$ 22,274	4,448	26,722
Provision for depreciation	9,178	1,329	10,507
Effect of changes in exchange rates	1,346	-	1,346
Balance at June 30, 2022	<b><u>\$ 32,798</u></b>	<b><u>5,777</u></b>	<b><u>38,575</u></b>
Carrying value:			
June 30, 2023	<b><u>\$ 46,469</u></b>	<b><u>6,178</u></b>	<b><u>52,647</u></b>
Dec 31, 2022	<b><u>\$ 43,441</u></b>	<b><u>5,129</u></b>	<b><u>48,570</u></b>
June 30, 2022	<b><u>\$ 53,079</u></b>	<b><u>6,458</u></b>	<b><u>59,537</u></b>

9) Other payables

	<b>2023.6.30</b>	<b>2022.12.31</b>	<b>2022.6.30</b>
Remuneration payable to employees, directors and supervisors, \$	112,900	73,281	89,176
Dividends payable	354,839	-	248,388
Provision for liabilities - Liabilities for compensated absences	6,679	7,861	6,749
Other	34,867	48,642	38,900
	<b><u>\$ 509,285</u></b>	<b><u>129,784</u></b>	<b><u>383,213</u></b>

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

10) Lease liabilities

	<b>2023.6.30</b>	<b>2022.12.31</b>	<b>2022.6.30</b>
Current	<u><b>\$ 21,096</b></u>	<u><b>18,434</b></u>	<u><b>20,505</b></u>
Non-current	<u><b>\$ 32,256</b></u>	<u><b>30,784</b></u>	<u><b>39,142</b></u>

For maturity analysis, please refer to Note 6(18) Financial instruments.

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

	<b>2023 April-June</b>	<b>2022 April-June</b>	<b>2023 Jan-June</b>	<b>2022 Jan-June</b>
Interest expense on lease liabilities	<u><b>\$ 274</b></u>	<u><b>398</b></u>	<u><b>574</b></u>	<u><b>826</b></u>
Expenses for low-value leased assets	<u><b>\$ 57</b></u>	<u><b>85</b></u>	<u><b>122</b></u>	<u><b>146</b></u>

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

	<b>2023 Jan-June</b>	<b>2022 Jan-June</b>
Total cash outflow from leases	<u><b>\$ 11,031</b></u>	<u><b>11,779</b></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.

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.



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

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>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Selling expenses	\$ 12	4	23	7
Administration expenses	91	59	183	118
	<b>\$ 103</b>	<b>63</b>	<b>206</b>	<b>125</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>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Operating costs	\$ 629	596	1,259	1,189
Selling expenses	135	125	265	253
Administration expenses	226	219	448	434
R&D expenses	163	155	320	304
	<b>\$ 1,153</b>	<b>1,095</b>	<b>2,292</b>	<b>2,180</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>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Operating costs	\$ 807	874	1,602	1,615
Selling expenses	23	24	46	48
Administration expenses	134	183	280	296
	<b>\$ 964</b>	<b>1,081</b>	<b>1,928</b>	<b>1,959</b>

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>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Current income tax expense	<b>\$ 27,229</b>	<b>23,352</b>	<b>52,118</b>	<b>40,564</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.

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

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 June 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.

(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:

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

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

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 remeasurem ents of defined benefit	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	4,715	-	-	4,715
Unrealized gains on financial assets measured at FVOCI	-	51,196	-	51,196
Balance at June 30, 2023	<u>\$ 8,339</u>	<u>139,100</u>	<u>(7,791)</u>	<u>139,648</u>
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	18,960	-	-	18,960
Unrealized losses on financial assets measured at FVOCI	-	(118,173)	-	(118,173)
Balance at June 30, 2022	<u>\$ (6,107)</u>	<u>115,972</u>	<u>(5,993)</u>	<u>103,872</u>

14) Earnings per share (EPS)

	2023 April-June	2022 April-June	2023 Jan-June	2022 Jan-June
<b>Basic EPS:</b>				
Net profit for the period attributable to the Company	\$ 128,055	128,891	220,669	200,981
Weighted average number of common shares outstanding (K share)	118,280	118,280	118,280	118,280
Basic EPS (NT\$)	<u>\$ 1.08</u>	<u>1.09</u>	<u>1.87</u>	<u>1.70</u>
<b>Diluted EPS:</b>				
Net profit for the period attributable to the Company	\$ 128,055	128,891	220,669	200,981
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)	445	698	1,704	2,435
Weighted average number of common shares outstanding (K share) (diluted)	118,725	118,978	119,984	120,715
Diluted EPS (NT\$)	<u>\$ 1.08</u>	<u>1.08</u>	<u>1.84</u>	<u>1.66</u>

**Ampire 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>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Major regional markets:				
Oceania	\$ -	262	4	421
Taiwan	21,970	15,753	37,682	36,646
Asia	46,401	81,680	109,080	132,284
Africa	-	121	761	564
America	93,085	104,016	186,393	205,912
Europe	387,923	389,489	815,105	700,149
	<b><u>\$ 549,379</u></b>	<b><u>591,321</u></b>	<b><u>1,149,025</u></b>	<b><u>1,075,976</u></b>
Main product/service lines:				
TFT	\$ 500,387	497,494	1,048,211	901,157
TN.STN.FSTN	41,057	90,408	89,226	169,375
Other	7,935	3,419	11,588	5,444
	<b><u>\$ 549,379</u></b>	<b><u>591,321</u></b>	<b><u>1,149,025</u></b>	<b><u>1,075,976</u></b>

2. Contract balance

	<b>2023.6.30</b>	<b>2022.12.31</b>	<b>2022.6.30</b>
Notes receivable	\$ -	-	3
Accounts receivable	229,374	363,587	327,450
Total	<b><u>\$ 229,374</u></b>	<b><u>363,587</u></b>	<b><u>327,453</u></b>

Please 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\$17,385 K, NT\$17,303 K, NT\$30,477 K and NT\$27,568 K set aside for employees and NT\$5,215 K, NT\$5,191 K, NT\$9,143 K and NT\$8,270 K for directors, from April 1 to June 30, 2023 and 2022 and From January 1 to June 30, 2023 and 2022, respectively, were estimated based on the Company's pre-tax net income 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.

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

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.

17) Non-operating income and expenses

1. Interest income

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Interest on bank deposits	\$ 4,446	356	8,430	988
Interest income on financial assets measured at amortized cost	2,699	1,581	4,472	2,948
Other interest income	-	-	7	4
	<b>\$ 7,145</b>	<b>1,937</b>	<b>12,909</b>	<b>3,940</b>

2. Other income

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Dividend income	\$ 32,241	40,455	32,241	40,455
Molds, jigs and rework revenue	619	-	1,657	3,576
Other	415	443	1,433	1,046
	<b>\$ 33,275</b>	<b>40,898</b>	<b>35,331</b>	<b>45,077</b>

3. Other gains and losses

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Foreign currency exchange gain (loss)	\$ 2,908	261	(4,911)	20,850
Loss on disposal and scrapping of property, plant and equipment	(4,157)	(10)	(4,213)	(366)
Other	(265)	(70)	(459)	(96)
	<b>\$ (1,514)</b>	<b>181</b>	<b>(9,583)</b>	<b>20,388</b>

4. Financial costs

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Amortization of interest on lease liabilities	\$ 274	398	574	826

18) Financial instruments

Except as described 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.

**Ampire 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 21.56%, 18.62% and 14.92% of total receivables as of June 30, 2023, December 31 and June 30, 2022, respectively; the concentration of credit risk with its top four customers did not surpass 46.77%, 46.47% and 34.71% of total receivables, respectively.

(2) Credit risk on receivables

Please 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 June 30, 2023, December 31 and June 30, 2022 have 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>June 30, 2023</b>						
Non-derivative financial liabilities						
Accounts payable	\$ 173,001	173,001	173,001	-	-	-
Other payables	509,285	509,285	509,285	-	-	-
Lease liabilities (incl. those due within one year)	53,352	55,251	22,254	21,717	11,280	-
	<b>\$ 735,638</b>	<b>737,537</b>	<b>704,540</b>	<b>21,717</b>	<b>11,280</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>June 30, 2022</b>						
Non-derivative financial liabilities						
Accounts payable	\$ 325,198	325,198	325,198	-	-	-
Other payables	383,213	383,213	383,213	-	-	-
Lease liabilities (incl. those due within one year)	59,647	62,037	21,762	17,654	22,621	-
	<b>\$ 768,058</b>	<b>770,448</b>	<b>730,173</b>	<b>17,654</b>	<b>22,621</b>	-

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

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.

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>2023.6.30</b>		
		<b>Foreign currency</b>	<b>Exchange rate</b>	<b>NT dollar</b>
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$	19,923	31.140	620,402
HKD		185	3.9750	735
Chinese Yuan		62,866	4.2830	269,255
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD		2,649	31.140	82,490
HKD		346	3.9750	1,375
Chinese Yuan		4,012	4.2830	17,183
		<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)**

	2022.6.30		
	Foreign currency	Exchange rate	NT dollar
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 15,712	29.720	466,961
HKD	189	3.7880	716
Chinese Yuan	42,325	4.4400	187,923
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	5,404	29.720	160,607
HKD	746	3.6560	1,060
Chinese Yuan	8,557	4.4400	37,993

(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 and losses upon translation. As of June 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, net income after tax would increase by NT\$6,315 K and NT\$3,633 K for the periods from January 1 to June 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 (losses) (both realized and unrealized) amounting to NT\$(4,911) K and NT\$20,850 K from January 1 to June 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-June	2022 Jan-June
	Other comprehensive income after tax	Other comprehensive income after tax
<u>Securities prices on reporting date</u>		
Up 1%	<u>\$ 6,583</u>	<u>4,327</u>
Down 1%	<u>\$ (6,583)</u>	<u>(4,327)</u>



**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>2023.6.30</b>				
	<b>Carrying</b>	<b>Fair value</b>			
	<b>amount</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets at FVOCI</b>					
Domestic OTC-listed					
stocks	\$ 225,200	225,200	-	-	225,200
Domestic					
non-Exchange/OTC-l					
isted stocks	433,063	-	-	433,063	433,063
Total	<b>\$ 658,263</b>	<b>225,200</b>	-	<b>433,063</b>	<b>658,263</b>
<b>Financial assets at</b>					
<b>    amortized cost</b>					
Cash and cash					
equivalents	\$ 563,459	-	-	-	-
Accounts receivable	229,374	-	-	-	-
Other receivables	21,884	-	-	-	-
Certificates of deposit	543,663	-	-	-	-
Refundable deposits	6,710	-	-	-	-
Total	<b>\$ 1,365,090</b>	-	-	-	-
<b>Financial liabilities at</b>					
<b>    amortized cost</b>					
Accounts payable	\$ 173,001	-	-	-	-
Other payables	509,285	-	-	-	-
Lease liabilities (incl.					
those due within					
one year)	53,352	-	-	-	-
Total	<b>\$ 735,638</b>	-	-	-	-

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

		2022.12.31			
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial assets at FVOCI</b>					
Domestic OTC-listed					
stocks	\$ 185,103	185,103	-	-	185,103
Domestic					
non-Exchange/OTC-l					
isted stocks	436,325	-	-	436,325	436,325
Total	<b>\$ 621,428</b>	<b>185,103</b>	-	<b>436,325</b>	<b>621,428</b>
<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	<b>\$ 1,008,170</b>	-	-	-	-
<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	<b>\$ 399,999</b>	-	-	-	-
		2022.6.30			
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
<b>Financial assets at FVPL</b>					
Structured deposits	<b>\$ 35,426</b>	-	<b>35,625</b>	-	<b>35,625</b>
<b>Financial assets at FVOCI</b>					
Domestic OTC-listed					
stocks	\$ 101,360	101,360	-	-	101,360
Domestic					
non-Exchange/OTC-l					
isted stocks	331,389	-	-	331,389	331,389
Total	<b>\$ 432,749</b>	<b>101,360</b>	-	<b>331,389</b>	<b>432,749</b>

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

	2022.6.30				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets at amortized cost</b>					
Cash and cash equivalents	\$ 476,690	-	-	-	-
Notes and accounts receivable	327,453	-	-	-	-
Other receivables	30,576	-	-	-	-
Certificates of deposit	234,683	-	-	-	-
Refundable deposits	6,875	-	-	-	-
<b>Total</b>	<b>\$ 1,076,277</b>	-	-	-	-
<b>Financial liabilities at amortized cost</b>					
Notes and accounts payable	\$ 325,198	-	-	-	-
Other payables	383,213	-	-	-	-
Lease liabilities (incl. those due within one year)	59,647	-	-	-	-
<b>Total</b>	<b>\$ 768,058</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 June 30, 2023 and 2022.

(4) Schedule of changes in Level 3

	<b>Measured at FVOCI</b>
	<b>Non-Exchange/ TC-listed stocks</b>
Jan 1, 2023	\$ 436,325
Total gain - recognized in other comprehensive income	29,433
Proceeds from capital reduction	(32,695)
June 30, 2023	<b><u>\$ 433,063</u></b>
Jan 1, 2022	\$ 486,514
Total loss - recognized in other comprehensive income	(111,173)
Proceeds from capital reduction	(43,952)
June 30, 2022	<b><u>\$ 331,389</u></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 June 30, 2023 and 2022 are as follows:

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>April-June</b>	<b>April-June</b>	<b>Jan-June</b>	<b>Jan-June</b>
Total gain or loss				
Recognized in other comprehensive income (reported as "Unrealized valuation gains (losses) on financial assets measured at FVOCI	\$ (25,585)	(57,449)	29,433	(111,173)

**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 2023.6.30, 2022.12.31 and 2022.6.30)</li> <li>• Share price operating income ratio multiplier (1.77-16.57, 1.27-14.29 and 1.49-27.26 on 2023.6.30, 2022.12.31 and 2022.6.30 respectively)</li> <li>• Net share price ratio multiplier (1.20-9.13, 1.12-8.44 and 0-11.14 on 2023.6.30, 2022.12.31 and 2022.6.30 respectively)</li> <li>• Price-earnings ratio multiplier (2.58-44.49, 2.24-47.01 and 2.14-47.01 on 2023.6.30, 2022.12.31 and 2022.6.30 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>June 30, 2023</b>				
Financial assets at FVOCI - Domestic non-Exchange/OTC-listed stocks	Liquidity discount	5%	6,158	(6,158)
	Market multiplier	5%	6,426	(5,886)
<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)

**Ampire 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>June 30, 2022</b>				
Financial assets at FVOCI - Domestic non-Exchange/OTC-listed stocks	Liquidity discount	5%	8,243	(8,243)
	Market multiplier	5%	7,974	(8,080)

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 June 30, 2023 and 2022 are as follows:

1.	2023 April-June	2022 April-June	2023 Jan-June	2022 Jan-June
Change in fair value of financial assets measured at FVOCI for the year	\$ (32,835)	(62,209)	51,196	(118,173)

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

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

	2023.1.1	Cash flow	Increase	Non-cash change		2023.6.30
				Exchange rate changes	Changes in lease payments	
Lease liabilities	\$ 49,218	(10,335)	15,676	(801)	(406)	53,352

  

	2022.1.1	Cash flow	Increase	Non-cash change		2022.6.30
				Exchange rate changes	Changes in lease payments	
Lease liabilities	\$ 68,702	(10,807)	-	1,752	-	59,647

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

**7. Related party transactions**

1) Key management transactions

Key management compensation includes:

	2023 April-June	2022 April-June	2023 Jan-June	2022 Jan-June
Short-term employee benefits	\$ 11,094	11,586	22,713	22,590

**8. Assets pledged: Nil.**

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

Significant unrecognized contractual commitments

	2023.6.30	2022.12.31	2022.6.30
Guaranteed notes issued in connection with purchase guarantee	\$ 15,000	15,000	15,000

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

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

**12. Others**

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

Function Nature	April-June 2023			April-June 2022		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expense						
Salaries expense	30,499	26,256	56,755	24,507	28,776	53,283
Labor and health insurance expense	1,924	1,130	3,054	224	48	272
Pension expense	1,436	784	2,220	1,470	769	2,239
Directors' remuneration	-	6,281	6,281	-	7,305	7,305
Other employee benefit expense	2,236	795	3,031	2,860	780	3,640
Depreciation expense	7,774	2,800	10,574	7,352	2,942	10,294
Amortization expense	5	149	154	34	166	200

Function Nature	Jan-June 2023			Jan-June 2022		
	Attributable to operating costs	Attributable to operating expenses	Total	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefit expense						
Salaries expense	54,682	47,570	102,252	46,756	46,675	93,431
Labor and health insurance expense	3,776	2,645	6,421	1,808	1,351	3,159
Pension expense	2,861	1,565	4,426	2,804	1,460	4,264
Directors' remuneration	-	12,085	12,085	-	13,242	13,242
Other employee benefit expense	4,533	1,577	6,110	5,663	1,533	7,196
Depreciation expense	15,617	5,462	21,079	15,159	5,821	20,980
Amortization expense	40	314	354	67	186	253

**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 June 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
				Number 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 of the company	Financial assets at FVOCI-non-current	580	9,511	3.33 %	9,511	-
Ampire Co	Top Taiwan IX Venture Capital Co	Ampire Co is a director of the company	Financial assets at FVOCI-non-current	5,250	115,671	12.50 %	115,671	-
Ampire Co	Top Taiwan XI Venture Capital Co	Ampire Co is a director of the company	Financial assets at FVOCI-non-current	3,413	69,873	6.25 %	69,873	-
Ampire Co	Top Taiwan XII Venture Capital Co	Ampire Co is a director of the company	Financial assets at FVOCI-non-current	10,000	123,923	7.41 %	123,923	-
Ampire Co	Top Taiwan XIV Venture Capital Co	Ampire Co is a director of the company	Financial assets at FVOCI-non-current	10,000	100,589	4.59 %	100,589	-
Ampire Co	Racer Tech Co	-	Financial assets at FVOCI-non-current	1,140	13,496	9.37 %	13,496	-
Ampire Co	Amicom Electronics Corp	-	Financial assets at FVOCI-non-current	2,800	77,700	5.00 %	77,700	-
Ampire Co	IBASE Technology Inc	-	Financial assets at FVOCI-non-current	1,451	129,429	0.74 %	129,429	-
Ampire Co	STL Technology Co	-	Financial assets at FVOCI-non-current	392	18,071	0.61 %	18,071	-

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-subsi diary	Sales	(198,197)	(32.45)%	-	-	-	65,590	26.75%	Note
Tangyu Electronics Co	Sino Advance Inc.	Parent-subsi diary	Purchase	198,197	86.50%	-	-	-	(65,590)	(87.64)%	Note
Sino Advance Inc.	Ampire Co	Parent-subsi diary	Sales	(208,217)	(34.09)%	-	-	-	173,934	73.24%	Note
Ampire Co	Sino Advance Inc.	Parent-subsi diary	Purchase	208,217	31.13%	-	-	-	(173,934)	(55.55)%	Note
Tangyu Electronics Co	Sino Advance Inc.	Parent-subsi diary	Sales	(406,254)	(100.00)%	-	-	-	64,264	100.00%	Note
Sino Advance Inc.	Tangyu Electronics Co	Parent-subsi diary	Purchase	406,254	67.50%	-	-	-	(64,264)	(86.40)%	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	173,934	2.28	-		15,570	-

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			As a percentage of consolidated total operating revenue or total assets
				Item	Amount	Trading conditions	
1	Sino Advance Inc.	Tangyu Electronics Co	1	Sales	198,197	As per general conditions	17.25%
1	Sino Advance Inc.	Tangyu Electronics Co	1	Accounts receivable	65,590	As per general conditions	2.33%
1	Sino Advance Inc.	Ampire Co	2	Sales	208,217	Commissioned processing on a discretionary prepayment basis	18.12%
1	Sino Advance Inc.	Ampire Co	2	Accounts receivable	173,934	As per general conditions	6.18%
2	Tangyu Electronics Co	Sino Advance Inc.	2	Sales	406,254	As per general conditions	35.36%
2	Tangyu Electronics Co	Sino Advance Inc.	2	Accounts receivable	64,264	As per general conditions	2.28%

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 June 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%	123	-	-	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%	340,927	21,077	21,049	Note
Ampire Co., Ltd. (B.V.I.)	Sino Advance Inc.	Samoa	Sale of LCD modules	723,195 (USD23,224)	723,195 (USD23,224)	23,224	100.00%	340,796 (USD10,944)	21,082 (USD690)	21,082 (USD690)	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	661,351 (USD21,238)	(2)	654,936 (USD21,032)	-	-	654,936 (USD21,032)	19,432 (USD636)	100.00%	19,432 (USD636)	268,614 (USD8,626)	-

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
654,936 (US\$21,032 K)	734,904 (US\$23,600 K)	1,206,904 Note 2

Note 1: The exchange rate of the NT dollar against the U.S. dollar on June 30, 2023 was 31.14: 1; the average exchange rate of the NT dollar against the U.S. dollar from Jan 1 to June 30, 2023 was 30.5533: 1.

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 June 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 of each quarter for shareholders holding 5% or more of the Company's common shares and preferred shares that have been delivered without physical registration (including treasury shares). 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 without physical registration, 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, and shares with discretionary power over the trust property, please 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:

	<u>Domestic</u>	<u>Asia</u>	<u>Adjustments &amp; Eliminations</u>	<u>Total</u>
<b>April-June 2023</b>				
Revenue:				
Revenue from external customers	\$ 549,379	-	-	549,379
Inter-segment revenue	-	194,094	(194,094)	-
Total revenue	<u>\$ 549,379</u>	<u>194,094</u>	<u>(194,094)</u>	<u>549,379</u>
<b>Reportable segment profit or loss</b>	<u>\$ 152,170</u>	<u>16,707</u>	<u>(13,593)</u>	<u>155,284</u>

	<u>Domestic</u>	<u>Asia</u>	<u>Adjustments &amp; Eliminations</u>	<u>Total</u>
<b>April-June 2022</b>				
Revenue:				
Revenue from external customers	\$ 591,321	-	-	591,321
Inter-segment revenue	-	224,913	(224,913)	-
Total revenue	<u>\$ 591,321</u>	<u>224,913</u>	<u>(224,913)</u>	<u>591,321</u>
<b>Reportable segment profit or loss</b>	<u>\$ 150,517</u>	<u>11,095</u>	<u>(9,369)</u>	<u>152,243</u>

	<u>Domestic</u>	<u>Asia</u>	<u>Adjustments &amp; Eliminations</u>	<u>Total</u>
<b>Jan-June 2023</b>				
Revenue:				
Revenue from external customers	\$ 1,149,025	-	-	1,149,025
Inter-segment revenue	-	415,148	(415,148)	-
Total revenue	<u>\$ 1,149,025</u>	<u>415,148</u>	<u>(415,148)</u>	<u>1,149,025</u>
<b>Reportable segment profit or loss</b>	<u>\$ 266,071</u>	<u>27,793</u>	<u>(21,077)</u>	<u>272,787</u>

	<u>Domestic</u>	<u>Asia</u>	<u>Adjustments &amp; Eliminations</u>	<u>Total</u>
<b>Jan-June 2022</b>				
Revenue:				
Revenue from external customers	\$ 1,075,976	-	-	1,075,976
Inter-segment revenue	-	397,968	(397,968)	-
Total revenue	<u>\$ 1,075,976</u>	<u>397,968</u>	<u>(397,968)</u>	<u>1,075,976</u>
<b>Reportable segment profit or loss</b>	<u>\$ 239,819</u>	<u>14,353</u>	<u>(12,627)</u>	<u>241,545</u>