Stock Code: 3011

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Review Report

September 30, 2023 and 2022

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Notice to Readers

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the original Chinese version prepared and used in the ROC. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, theChinese-language auditors' review report and consolidated financial statements shall prevail

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Independent Auditors' Review Report

To Ji-Haw Industrial, Co., Ltd.:

Introduction

The consolidated balance sheets of Ji-Haw Industrial Co., Ltd. and its subsidiaries as of September 30, 2023 and 2022, along with the consolidated statements of comprehensive income for the three months and the nine months ended September 30, 2023, and 2022, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2023, and 2022, and the notes to the consolidated financial statements (including a summary of significant accounting policies) have been reviewed by us. It is the responsibility of the management to prepare the properly expressed consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission.

Scope

Except as stated in the paragraph above, we conducted reviews in accordance with the Standards on Reviews 2410, "Review of Financial Statements". The procedures to be used in reviewing the consolidated financial statements include inquiries (mainly with the person in charge of financial and accounting affairs), analytical procedures, and other review procedures. A review is substantially less in scope than an audit, and therefore does not allow us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, we do not express an audit opinion.

Basis for a qualified conclusion

As stated in Note 12 to the consolidated financial statements, the financial statements of the non-significant subsidiaries included in the aforementioned consolidated financial statements for the same period have not been reviewed by a certified public accountant. The total assets as of September 30, 2023, and September 30, 2022, were NT$85,981 thousand and NT$88,193 thousand, respectively, accounting for 5.19% and 4.68% of the total consolidated assets. The total liabilities amounted to NT$135 thousand and NT$134 thousand, respectively, accounting for 0.02% and 0.02% of the total consolidated liabilities. The consolidated net income (loss) for the three months and the nine months ended September 30, 2023, and 2022 were (NT$144 thousand), (NT$7,528 thousand), NT$446,000, and (NT$34,537 thousand). These figures represent (1.57%), (81.33%), (1.75%), and (546.90%) of the total comprehensive income (loss) on a consolidated basis. Furthermore, as stated in Note 13 to the consolidated financial statements, the balances of the investments accounted for using this equity method were NT$100,879 thousand and NT$100,368 thousand as of 30th September 2023 and 2022, respectively. The respective portions of the associated companies' profits or losses accounted for using the equity method for the three months and the nine months ended September 30, 2023, and 2022, were NT$1 thousand, NT$1 thousand, NT$3 thousand, and NT$3 thousand. These were recognized based on the financial statements of the investee companies during the same periods that had not been reviewed by the auditors. In addition, the related information disclosed in Note 31 to the consolidated financial statements and the information related to the aforementioned non-significant subsidiaries and invested companies have not been reviewed by the CPAs.

Conclusion with reservation

Based on the results of the CPA review, except for the financial statements of non-material subsidiaries and investee companies as described in the introductory section of the basis of conclusion, which may have an impact on the adjusted presentation of the consolidated financial statements upon completion of the audit by the accountants, no significant deviations were found in all material aspects of the aforementioned consolidated financial statements that would prevent us from expressing a reasonable opinion, as prepared in accordance with the Financial Reporting Standards for Issuers of Securities Firms and the International Accounting Standard No. 34 "Interim Financial Reporting," approved and issued by the Financial Supervisory Commission, regarding the consolidated financial position of Ji-Haw Industrial Co., Ltd. and its subsidiaries as of September 30, 2023 and 2022, as well as the consolidated financial performance for the periods from July 1 to September 30, 2023 and 2022, and the consolidated financial performance and cash flows for the periods from January 1 to September 30, 2023 and 2022.

The engagement partners on the reviews resulting in this independent auditors' review report are Huang Yao-Lin and Chou Shih-Chieh.

Deloitte & Touche
Taipei, Taiwan
Republic of China
November 8, 2023

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Balance Sheets

September 30, 2023, and December 31, 2022, and September 30, 2022

Unit: NT$ thousand

		September 30, 2023		December 31, 2022		September 30, 2022	
Account	Assets	Amount	%	Amount	%	Amount	%
	Current assets						
1100	Cash and cash equivalents (Note 6)	$ 274,142	17	$ 397,756	24	$ 384,528	20
1110	Financial assets at FVTPL – Current (Note 7)	23,960	1	1,265	-	1,098	-
1136	Financial assets at amortized cost – current (Note 9)	26,352	2	26,795	2	65,810	4
1170	Notes and accounts receivable (Notes 10 and 22)	436,414	26	386,932	23	554,376	30
130X	Inventories (Note 11)	292,296	18	324,255	19	324,604	17
1470	Other current assets (Notes 17 and 27)	19,583	1	18,436	1	25,405	1
11XX	Total current assets	1,072,747	65	1,155,439	69	1,355,821	72
	Non-current Assets						
1510	Financial assets at fair value through profit or loss – non-current (Note 7)	353	-	336	-	1,216	-
1550	Investment under the equity method (Note 13)	100,879	6	98,965	6	100,368	5
1600	Property, plants, and equipment (Notes 14 and 28)	248,386	15	264,115	16	267,013	14
1755	Right-of-use assets (Notes 15 and 16)	41,219	2	39,044	2	35,197	2
1760	Investment property (Notes 15, 16, and 28)	84,925	5	86,927	5	86,320	5
1840	Deferred income tax assets (Note 4)	28,827	2	28,927	2	33,167	2
1990	Other non-current assets (Note 17)	79,946	5	4,001	-	3,828	-
15XX	Total non-current assets	584,535	35	522,315	31	527,109	28
1XXX	Total assets	$ 1,657,282	100	$ 1,677,754	100	$ 1,882,930	100
Account	LIABILITIES AND EQUITY						
	Current liabilities						
2100	Short-term borrowings (Notes 18 and 28)	$ 100,000	6	$ 100,000	6	$ 125,000	7
2170	Notes and Accounts Payable	344,218	21	309,023	18	484,702	26
2200	Other payables (note 19)	35,094	2	41,760	3	43,228	2
2230	Current income tax liabilities (Note 4)	-	-	8,944	1	14,356	1
2280	Lease liabilities – current (Note 15)	2,928	-	935	-	1,699	-
2300	Other current liabilities	87,061	5	87,541	5	85,528	4
21XX	Total current liabilities	569,301	34	548,203	33	754,513	40
	Non-current liabilities						
2570	Deferred income tax liabilities (Note 4)	37,594	2	54,895	3	50,723	3
2580	Lease liabilities – non-current (Note 15)	46,223	3	45,371	3	49,794	3
2640	Net defined benefit liabilities (note 4 and 20)	627	-	823	-	3,469	-
2645	Guarantee deposits	2,195	-	2,203	-	2,169	-
2670	Other non-current liabilities	6,786	1	6,286	-	5,657	-
25XX	Total non-current liabilities	93,425	6	109,578	6	111,812	6
2XXX	Total liabilities	662,726	40	657,781	39	866,325	46
	Equity (Note 21)						
3100	Share capital – Ordinary shares	1,127,192	68	1,127,192	67	1,127,192	60
3200	Capital surplus	226,697	14	226,697	14	226,697	12
	Accumulated losses						
3310	Legal reserve	23,586	1	23,586	1	23,586	1
3320	Special reserve	218,029	13	218,029	13	218,029	12
3350	Losses to be offset	(532,402)	(32)	(494,359)	(29)	(499,629)	(27)
3300	Total accumulated losses	(290,787)	(18)	(252,744)	(15)	(258,014)	(14)
3400	Other equity	(68,546)	(4)	(81,172)	(5)	(79,270)	(4)
3XXX	Total equity	994,556	60	1,019,973	61	1,016,605	54
	Total liabilities and equities	$ 1,657,282	100	$ 1,677,754	100	$ 1,882,930	100

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

(Please see the Independent Auditor's Review Report of Deloitte & Touche on November 8, 2023)

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Statements of Comprehensive Income

For the three-month and nine-month periods ended September 30, 2023 and 2022

Unit: NT$ thousand, except for earnings (losses) per share in NT$

		July 1, 2023, to September 30, 2023		July 1, 2022, to September 30, 2022		January 1, 2023, to September 30, 2023		January 1, 2022, to September 30, 2022	
Account		Amount	%	Amount	%	Amount	%	Amount	%
4000	Net operating revenue (Note 22)	$ 295,277	100	$ 384,421	100	$ 876,073	100	$ 1,219,462	100
5000	Operating cost (Notes 11 and 23)	243,351	82	334,774	87	745,116	85	1,077,819	89
5950	Gross profit	51,926	18	49,647	13	130,957	15	141,643	11
	Operating expenses (Notes 10 and 23)								
6100	Selling expenses	18,801	7	16,263	4	55,225	6	48,386	4
6200	Administrative expenses	39,223	13	30,291	8	107,419	12	84,613	7
6300	Research and Development Expenses	15,591	5	11,763	3	46,225	5	39,979	3
6450	Impairment loss (reversal) of expected credit loss	5,306	2	(1,575)	-	11,611	2	(1,021)	-
6000	Total operating expenses	78,921	27	56,742	15	220,480	25	171,957	14
6900	Operating loss	(26,995)	(9)	(7,095)	(2)	(89,523)	(10)	(30,314)	(3)
	Non-operating income and expenses								
7100	Interest revenue (Note 23)	410	-	261	-	1,945	-	606	-
7010	Other income (Note 23)	4,120	1	3,958	1	11,902	1	13,199	1
7020	Other gains and losses (Note 23)	410	-	29,541	8	14,601	2	57,950	5
7050	Finance costs (note 23)	(1,105)	-	(1,144)	-	(3,300)	-	(3,659)	-
7060	Share of profit or loss of associated companies using the equity method (Note 13)	1	-	1	-	3	-	3	-
7000	Total non-operating income and expenses	3,836	1	32,617	9	25,151	3	68,099	6
7900	Profit (loss) before tax	(23,159)	(8)	25,522	7	(64,372)	(7)	37,785	3
7950	Income tax income (expense) (Notes 4 and 24)	1,391	1	(22,651)	(6)	26,329	3	(54,483)	(4)
8200	Net income (loss) for the period	(21,768)	(7)	2,871	1	(38,043)	(4)	(16,698)	(1)
	Other comprehensive income								
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of foreign operations	30,920	10	6,385	1	12,626	1	23,013	2
8300	Other comprehensive income for the period (net after tax)	30,920	10	6,385	1	12,626	1	23,013	2
8500	Total Comprehensive Income for the Current Period	$ 9,152	3	$ 9,256	2	($ 25,417)	(3)	$ 6,315	1
	Earnings (losses) per share (Note 25)								
9710	Basic	($ 0.19)		$ 0.03		($ 0.34)		($ 0.15)	

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

(Please see the Independent Auditor's Review Report of Deloitte & Touche on November 8, 2023)

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Statements of Changes in Equity

For the nine-month period ended September 30, 2023 and 2022

Unit: NT$ thousand

Account		Share capital – Ordinary shares	Capital surplus	Accumulated losses				Other Equity Items			Total equity
				Legal reserve	Special reserve	Losses to be offset	Total	Exchange differences on translation of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total	
A1	Balance as of January 1, 2022	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 482,931)	($ 241,316)	($ 88,283)	($ 14,000)	($ 102,283)	$ 1,010,290
D1	Net loss from January 1, 2022 to September 30, 2022	-	-	-	-	(16,698)	(16,698)	-	-	-	(16,698)
D3	Other comprehensive net income from January 1, 2022 to September 30, 2022	-	-	-	-	-	-	23,013	-	23,013	23,013
D5	Total comprehensive income from January 1, 2022 to September 30, 2022	-	-	-	-	(16,698)	(16,698)	23,013	-	23,013	6,315
Z1	Balance as of September 30, 2022	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 499,629)	($ 258,014)	($ 65,270)	($ 14,000)	($ 79,270)	$ 1,016,605
A1	Balance on January 1, 2023	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 494,359)	($ 252,744)	($ 67,172)	($ 14,000)	($ 81,172)	$ 1,019,973
D1	Net loss from January 1, 2023 to September 30, 2023	-	-	-	-	(38,043)	(38,043)	-	-	-	(38,043)
D3	Other comprehensive income after tax from January 1 to September 30 of the year 2023	-	-	-	-	-	-	12,626	-	12,626	12,626
D5	Total comprehensive income from January 1 to September 30 of the year 2023	-	-	-	-	(38,043)	(38,043)	12,626	-	12,626	(25,417)
Z1	Balance as of September 30, 2023	$ 1,127,192	$ 226,697	$ 23,586	$ 218,029	($ 532,402)	($ 290,787)	($ 54,546)	($ 14,000)	($ 68,546)	$ 994,556

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

(Please see the Independent Auditor’s Review Report of Deloitte & Touche on November 8, 2023)

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Consolidated Statements of Cash Flows

For the nine-month period ended September 30, 2023 and 2022

Unit: NT$ thousand

Account		January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
	Cash flows from operating activities		
A00010	Profit (loss) before tax	($ 64,372)	$ 37,785
A20010	Adjustments:		
A20100	Depreciation expense	25,639	26,443
A20300	Impairment loss (reversal) of expected credit loss	11,611	(1,021)
A20400	Loss (gain) on financial assets at FVTPL	(483)	395
A20900	Finance costs	3,300	3,659
A21200	Interest income	(1,945)	(606)
A22300	Share of profit or loss of affiliated companies using the equity method	(3)	(3)
A22500	Loss (gain) on disposal of property, plant and equipment	46	(213)
A23700	Write-down (reversal) of inventories	(21,180)	2,412
A24100	Unrealized Gain on Currency Exchange	(7,737)	(22,317)
A30000	Changes in operating assets and liabilities		
A31150	Notes and Accounts Receivable	(50,846)	85,043
A31200	Inventories	51,150	18,475
A31240	Other current assets	(1,021)	6,542
A32150	Notes and Accounts Payable	36,001	(16,906)
A32180	Other payables	(6,666)	(765)
A32230	Other current liabilities	(480)	2,460
A32240	Net defined benefit liabilities	(196)	(390)
A32990	Other non-current liabilities	500	625
A33000	Cash generated from operations	(26,682)	141,618
A33300	Interest paid	(3,300)	(3,659)
A33500	Income Tax Paid	(1,311)	(50,732)
AAAA	Net cash inflow (outflow) from operating activities	(31,293)	87,227

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Account		January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
	Cash flows from investing activities		
B00040	Acquisition of financial assets at amortized cost	($ 22,533)	($ 4,492)
B00050	Proceeds from the disposal of financial assets at amortized cost	22,622	27,764
B00100	Acquisition of financial assets at fair value through profit or loss	(22,622)	(945)
B02300	Proceeds from the disposal of subsidiaries	-	25,489
B02700	Acquisition of Property, Plants, and Equipment	(3,956)	(4,908)
B02800	Proceeds from disposal of property, plant and equipment	-	686
B02900	Acquisition of right-of-use assets	(1,842)	-
B03800	IncreaseIn Refundable Deposits	(150)	-
B06700	Decrease in other non-current assets	310	1,682
B07500	Interest received	1,897	1,514
B09900	Other investment activities	(76,105)	-
BBBB	Net Cash Inflow (outflow) From Investing Activities	(102,379)	46,790
	Cash flows from financing activities		
C00100	Decrease in short-term borrowings	-	(154,345)
C03000	Decrease in guarantee deposits	(8)	(102)
C04020	Repayment of principal of lease liabilities	(945)	(825)
CCCC	Cash outflow from financing activities	(953)	(155,272)
DDDD	Effect of exchange rate changes on cash and cash equivalents	11,011	23,152
EEEE	Net increase (decrease) in cash and cash equivalents for the period	(123,614)	1,897
E00100	Opening Cash and Cash Equivalents Balance	397,756	382,631
E00200	Closing Cash and Cash Equivalents Balance	$ 274,142	$ 384,528

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

(Please see the Independent Auditor’s Review Report of Deloitte & Touche on November 8, 2023)

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Notes to the Consolidated Financial Statements

For the nine-month period ended September 30, 2023 and 2022

(expressed in thousands of New Taiwan Dollars unless otherwise specified)

1. Company History

Ji-Haw Industrial, Co., Ltd., (the “Company”) was incorporated on January 11, 1983. The major business activities of the Company are the sale and manufacturing of precision electric ports and sockets, connectors, electric wires and cables, electronics components, and other industrial and commercial services. The Company’s common shares were listed on the Taiwan Stock Exchange (TWSE) in July 2002.

The consolidated financial statements are presented in New Taiwan Dollar, which is the Company's functional currency.

2. Date and Procedure for Adopting the Financial Statement

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

3. Application of New and Revised Standards and Interpretations

(1) The first-time adoption of any International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) that have been endorsed and issued into effect by the Financial Supervisory Commission (FSC) "IFRSs")

The application of the amended and promulgated IFRSs approved by the FSC (Financial Supervisory Commission) will not cause significant changes in the accounting policies of the consolidated company.

(2) IFRSs approved by the Financial Supervisory Commission (FSC) applicable for the year 2024.

New IFRSs	The effective date of issuance by the International Accounting Standards Board (IASB) (Note 1)
Amendments to IFRS 16 “Lease Liabilities under Sale and Leaseback”	January 1, 2024 (Note 2)
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Contractual Clauses”	January 1, 2024
Amendments to IAS 7 and IFRS 7 regarding “Supplier Finance Arrangements”	January 1, 2024 (Note 3)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: A seller-lessee shall apply the Amendments to IFRS 16 retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

Note 3: Exemptions from certain disclosure requirements when applying this amendment for the first time.

As of the date of approval of these consolidated financial statements, the Group continues to assess the impact of other standards and interpretations revisions on the financial position and financial performance. The related impacts will be disclosed when the assessments are completed.

(3) IFRSs issued by the IASB that have been published but have not yet been approved and made effective by the Financial Supervisory Commission (FSC)

New IFRSs	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”	January 1, 2023
Amendments to IAS 21 "Lack of Convertibility."	January 1, 2025 (Note 2)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: Applicable for annual reporting periods beginning on or after January 1, 2025. When the amendment is first applied, the impact will be recognized in retained earnings as of the initial application date. When the consolidated company uses a non-functional currency as the presentation currency, it will affect the exchange differences of foreign operations under equity on the date of initial application.

As of the date of approval of these consolidated financial statements, the Group continues to assess the impact of other standards and interpretations revisions on the financial position and financial performance. The related impacts will be disclosed when the assessments are completed.

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

These consolidated financial statements are prepared in accordance with the financial reporting standards for issuers and IAS 34 'Interim Financial Reporting' as approved and issued by the Financial Supervisory Commission (FSC). These consolidated financial statements do not include all the IFRS disclosure information required for the entire annual financial statements.

(2) Basis of Preparation

Except for the financial instruments measured at fair value and the net defined benefit liabilities recognized by deducting the fair value of plan assets determined in accordance with the fair value, these consolidated financial statements are prepared on a historical cost basis.

The fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

1. Level 1 inputs: refers to the quoted price (unadjusted) of the same asset or liability available in the active market on the measurement date.
2. Level 2 inputs: these are observable input values for assets or liabilities, either directly (i.e., the price itself) or indirectly (i.e., derived from prices), other than Level 1 quoted prices.
3. Level 3 inputs: this refers to unobservable input values for assets or liabilities.

(3) Consolidated Basis

These consolidated financial statements include the financial statements of the Company and the financial statements of the entities (subsidiaries) controlled by the Company. The financial statements of the subsidiaries have been adjusted to align their accounting policies with those of the parent company. In the preparation of the consolidated financial statements, all inter-entity transactions, account balances, revenues, and expenses have been eliminated in full.

For details of subsidiaries, percentage of ownership, and business items, please refer to Note 12 and Tables 5 and 6.

(4) Other Significant Accounting Policies

Except for the following explanations, please refer to the summary of significant accounting policies in the 2022 consolidated financial statements.

1. Defined benefit post-retirement benefits

The interim pension costs are calculated on the basis of the year-end to the end using the pension cost rate determined in accordance with the actuarial method at the end of the previous year, and take into account the significant market fluctuations and major plan amendments, settlements, or other significant adjustments of one-off items.

2. Income tax expenses

Income tax expenses represent the sum of the tax currently payable and deferred tax. The interim income tax is calculated on the interim income before tax using the tax rate applicable to the total expected earnings for the year.

5. Key Sources of Significant Accounting Judgments, Estimates, and Assumptions Uncertainty

Please refer to the explanation of key sources of significant accounting judgments, estimates, and assumptions uncertainty in the 2022 consolidated financial statements.

6. Cash and Cash Equivalents

	September 30, 2023	December 31, 2022	September 30, 2022
Cash on hand	$ 1,281	$ 1,559	$ 1,448
Checking accounts and demand deposits	192,727	319,032	302,988
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	80,134	77,165	80,092
	$ 274,142	$ 397,756	$ 384,528

7. Financial Instruments at Fair Value Through Profit or Loss

	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets – current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
- Fund beneficiary certificates	$ 22,417	$ -	$ -
-Listed shares on foreign markets	1,543	1,265	1,098
	$ 23,960	$ 1,265	$ 1,098
Financial assets – non-current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			

Unlisted shares on foreign markets	$ 353	$ 336	$ 1,216

8. Financial Assets at Fair Value Through Other Comprehensive Income

These investments in ordinary shares of Chunghwa Picture Tubes, Ltd., Soyo Link Energy Co., Ltd., Li Wang Technology Co., Ltd., and S SQUARE SYSTEM LTD., are held for medium to long-term strategic purposes. The management elected to designate these investments at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

The Group is unable to recover the investment costs as Chunghwa Picture Tubes, Ltd., Soyo Link Energy Co., Ltd., and Li Wang Technology Co., Ltd., have discontinued their operation and S SQUARE SYSTEM LTD., has been incurring losses for several years. Their fair value was assessed to be zero.

9. Financial Assets Carried at Amortized Cost

	September 30, 2023	December 31, 2022	September 30, 2022
Current			
Foreign investments			
Time deposits with original maturities of more than 3 months	$ 26,352	$ 26,795	$ 65,810

10. Accounts Receivable and Notes Receivable

	September 30, 2023	December 31, 2022	September 30, 2022
Notes receivable			
Measured at amortized cost	$ 3,903	$ 441	$ 61
Accounts receivable			
Measured at amortized cost			
Gross carrying amount	452,006	394,030	$ 565,924
Less: allowance	(19,495)	(7,539)	(11,609)
	432,511	386,491	554,315
Notes and accounts receivable	$ 436,414	$ 386,932	$ 554,376

The Group's average credit period for sales is 30 to 165 days, and the accounts receivable do not accrue interest. The rating of major customers is given by using public financial information that is readily available and historical transaction records. The Group's credit exposures and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by the management annually.

In order to reduce the credit risk, the Group assigns a team responsible for the determination and approval of credit limits and takes other monitoring measures to ensure that proper actions have been taken to recover the overdue accounts receivable. Additionally, the Group reviews the recoverable amount of receivables one by one on the balance sheet date to ensure that proper allowances are recognized for unrecoverable receivables. Accordingly, the management of the Company believes that the Group's credit risk has been significantly reduced.

The consolidated company recognizes an allowance for credit losses on accounts receivable based on expected credit losses over the period of their existence. The expected credit losses on trade receivables are estimated considering the past default experience of the debtor and the debtor's current financial position. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activities to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The amount of loss provision calculated based on the provision matrix is presented below:

September 30, 2023

	Current	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	More than 91 days past	Total
Expected credit loss rate	0.24%	1.05%	5.00%	51.46%	100.00%	
Gross carrying amount	$ 418,448	$ 8,858	$ 5,383	$ 2,425	$ 16,892	$ 452,006
Loss allowance (lifetime ECL)	(993)	(93)	(269)	(1,248)	(16,892)	(19,495)
Amortized cost	$ 417,455	$ 8,765	$ 5,114	$ 1,177	$ -	$ 432,511

December 31, 2022

	Current	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	More than 91 days past	Total
Expected credit loss rate	0.25%	1.01%	4.68%	0.00%	100.00%	

Gross carrying amount	$ 371,323	$ 12,753	$ 3,655	$ 1	$ 6,298	$ 394,030
Loss allowance (lifetime ECL)	(941)	(129)	(171)	-	(6,298)	(7,539)
Amortized cost	$ 370,382	$ 12,624	$ 3,484	$ 1	$ -	$ 386,491

September 30, 2022

	Current	1 to 30 days past due	31 to 60 days past due	61 to 90 days past due	More than 91 days past	Total
Expected credit loss rate	0.24%	0.94%	4.99%	50.00%	100.00%	
Gross carrying amount	$ 531,517	$ 16,927	$ 7,648	$ 84	$ 9,748	$ 565,924
Loss allowance (lifetime ECL)	(1,278)	(159)	(382)	(42)	(9,748)	(11,609)
Amortized cost	$ 530,239	$ 16,768	$ 7,266	$ 42	$ -	$ 554,315

The movements of the loss allowance of trade receivables were as follows:

	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Beginning Balance	$ 7,539	$ 12,380
Plus: Current provision for impairment	11,611	-
Less: Reversal of impairment loss for the current period	-	(1,021)
Less: Write-offs in current period	-	(93)
Effect of foreign currency exchange difference	345	343
Ending Balance	$ 19,495	$ 11,609

11. Inventory

	September 30, 2023	December 31, 2022	September 30, 2022
Finished goods	$ 188,012	$ 191,745	$ 207,144
Work in process	35,998	37,035	44,300
Raw materials	68,286	95,475	73,160
	$ 292,296	$ 324,255	$ 324,604

The nature of the cost of goods sold is as follows:

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Cost of inventories sold	$ 249,523	$ 335,683	$ 766,296	$ 1,075,407
Write-down (reversal) of inventories	(6,172)	(909)	(21,180)	2,412
	$ 243,351	$ 334,774	$ 745,116	$ 1,077,819

The increase in the net realizable value of inventory is due to an increase in the selling prices.

12. Subsidiaries

Subsidiaries included in the consolidated financial statements

The entities included in the preparation of these consolidated financial statements are as follows:

			Proportion of Ownership (%)			
Investor	Name of subsidiary	Nature of business activities	September 30, 2023	December 31, 2022	September 30, 2022	Remarks
Ji-Haw Industrial, Co., Ltd.	Ji-Haw Electronics (Kunshan) Co., Ltd. (J.H.K)	Manufacturing and trading of computer cables or plugs	100.00	100.00	100.00	-
	J.B.T Industrial Co., Ltd. (J.B.T)	Manufacturing and trading of computer cables or plugs	100.00	100.00	100.00	-
	Ji-Haw Opto-Electrical (Kunshan) Co., Ltd. (J.H.P)	Manufacturing and trading of precision ceramics, precision molds, and computer cables and plugs	40.48	40.48	40.48	Note 1
	JI-HAW INVESTMENT CO., LTD. (hereinafter referred to as J.H.I.)	Investing in overseas financial products and stocks	100.00	100.00	100.00	-
JBT	JHP	Manufacturing and trading of precision ceramics, precision molds, and computer cables and plugs	59.52	59.52	59.52	Note 1

Note 1: 40.48% held directly by the Company and 59.52% held directly by the 100% owned subsidiary, J.B.T.

The subsidiaries included in the consolidated financial statements for the nine-month period ended September 30, 2023 and 2022, are as shown in the table. Except for the financial statements of J.B.T and J.H.P, which have been reviewed by an auditor, the financial statements of the remaining non-material subsidiaries have not been audited by an independent auditor.

13.Equity Method Investments

Investment in associates

	September 30, 2023	December 31, 2022	September 30, 2022
Individual non-significant associates			
Chuzhou Ding Wang Investment and Development Limited (Chuzhou Ding Wang)	$ 100,879	$ 98,965	$ 100,368

The investments accounted for using the equity method and the share of profit and other comprehensive income enjoyed by the consolidated company are recognized based on the financial statements of the associated companies for the corresponding period, which have not been audited by the independent auditor.

14. Property, Plant and Equipment

	September 30, 2023	December 31, 2022	September 30, 2022
Land	$ 91,994	$ 92,044	$ 91,840
Buildings	55,993	64,029	65,814
Machinery and equipment	82,862	89,475	91,545
Transportation Equipment	4,288	4,662	4,864
Other equipment	13,249	13,905	12,950
	$ 248,386	$ 264,115	$ 267,013

Except for the recognition of depreciation expenses, there were no significant additions, disposals, or impairments of the consolidated company's property, plant, and equipment for the nine-month period ended September 30, 2023 and 2022. The above items of property, plants, and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	5-24 years
Machinery and equipment	1-20 years
Transportation Equipment	1-20 years
Other equipment	2-33 years

Depreciation is calculated over the estimated useful lives of 5 to 24 years for each material component of buildings which includes the main building, electrical and mechanical construction, and improvements.

Please refer to Note 28 for the amount of property, plants, and equipment pledged for borrowings.

15. Lease Agreements

(1) Right-of-use assets

	September 30, 2023	December 31, 2022	September 30, 2022
Carrying amounts			
Land	$ 35,225	$ 39,044	$ 35,197
Transportation Equipment	5,994	-	-
	$ 41,219	$ 39,044	$ 35,197

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Additions to right-of-use assets			$ 6,208	$ -
Depreciation charge for right-of-use assets				
Land	$ 422	$ 540	$ 1,113	$ 1,168

Transportation Equipment	250	-	250	-
	$ 672	$ 540	$ 1,363	$ 1,168

Except for the aforementioned additional recognized depreciation expenses, there have been no significant subleasing or impairment situations regarding the right-of-use assets of the consolidated company for the nine-month period ended September 30, 2023 and 2022.

The land leased by the Group in Thailand is subleased under operating leases. Related right-of-use assets are reported as investment properties and set out in Note 16. Right-of-use assets disclosed above do not include those meeting the definition of investment properties.

(2) Lease liabilities

	September 30, 2023	December 31, 2022	September 30, 2022
Carrying amount			
Current	$ 2,928	$ 935	$ 1,699
Non-current	$ 46,223	$ 45,371	$ 49,794

Range of discount rates for lease liabilities was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Land	4.46%	4.46%	4.46%
Transportation Equipment	2.30%~5.22%	-	-

(3) Other rental information

	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Total cash outflow for leases	($ 2,530)	($ 2,564)

All lease commitments that commenced after the balance sheet date during the lease term are as follows:

	September 30, 2023	September 30, 2022
Lease commitments	$ 15,146	$ -

16. Investment Property

	September 30, 2023	December 31, 2022	September 30, 2022
Land	$ 60,240	$ 60,240	$ 60,240
Right-of-use assets	16,147	16,851	17,101
Buildings	8,538	9,836	8,979
	$ 84,925	$ 86,927	$ 86,320

The land leased by the Group in Thailand is subleased under operating leases and reported as right-of-use assets in investment properties.

Except for the recognition of depreciation expenses, there were no significant additions, disposals, or impairments of the consolidated company's property, plant, and equipment for the nine-month period ended September 30, 2023 and 2022. The investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Right-of-use assets	30 years
Buildings	5-24 years

Depreciation is calculated over the estimated useful lives of 5 to 24 years for each material component of buildings which includes the main building, electrical and mechanical construction, and improvements.

The fair value of the Group's investment property situated in Taiwan has been initially valued by an independent valuer and measured with Level 3 input value by the management of the Group on each subsequent balance sheet date. The fair value of the Group’s investment properties is regularly evaluated based on the above-mentioned independent appraiser's valuation, taking into account the market evidence of real estate transaction prices in nearby areas. The assessed fair value was as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Land and buildings be held under freehold interests - Taiwan	$ 295,540	$ 279,540	$ 248,039

As the investment property in Thailand is located on state-owned industrial land, there are no active transactions in the comparative market nor alternative reliable measurement of fair value. Therefore, the Group concluded that the fair value of the investment properties is not reliably measurable.

Please refer to Note 28 for the amount of investment property pledged for borrowing.

The total amount of lease payments to be received in the future from subleasing operating leases is as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Total lease payments to be received in the future	$ 13,791	$ 14,684	$ 18,771

17. Other Assets

	September 30, 2023	December 31, 2022	September 30, 2022
Prepayment for land and construction	$ 76,105	$ -	$ -
Prepayments	8,882	7,412	6,342
Excess VAT paid	7,250	5,635	15,091
Refundable deposits	3,486	3,336	2,988
Other receivables – related parties (Note 27)	2,137	2,097	2,126
Other receivables	841	2,857	1,412
Receivable income tax refund	473	435	434
Prepayments for equipment	355	665	840
	$ 99,529	$ 22,437	$ 29,233
Current	$ 19,583	$ 18,436	$ 25,405
Non-current	79,946	4,001	3,828
	$ 99,529	$ 22,437	$ 29,233

18. Short-term Loans

	September 30, 2023	December 31, 2022	September 30, 2022
Secured borrowings (Note 28)			
Bank borrowings	$ 100,000	$ 100,000	$ 125,000

The interest rates on bank revolving loans as of September 30, 2023, and December 31, 2022, and September 30, 2022, were 2.19%, 2.24%, and 1.40%, respectively.

19. Other Payables

	September 30, 2023	December 31, 2022	September 30, 2022
Payables for salaries	$ 19,825	$ 16,582	$ 17,416
Payables for expenses	14,145	24,284	24,474
Payables for taxes	1,124	894	1,338
	$ 35,094	$ 41,760	$ 43,228

20. Retirement Benefit Plan

The related retirement benefit costs recognized for the three-month and nine-month periods ended September 30, 2023 and 2022, are calculated based on the retirement cost rates determined as of December 31, 2022, and December 31, 2021. The amounts are NT$19 thousand, NT$23 thousand, NT$57 thousand, and NT$69 thousand, respectively.

21. Equity

(1) Common stock share capital

	September 30, 2023	December 31, 2022	September 30, 2022
Number of shares authorized (in thousands)	180,000	135,000	135,000
Amount of shares authorized	$ 1,800,000	$ 1,350,000	$ 1,350,000
Number of shares issued and fully paid (in thousands)	112,719	112,719	112,719
Amount of shares issued	$ 1,127,192	$ 1,127,192	$ 1,127,192

Fully paid ordinary shares, with a par value of NT$10, each of which carries one vote per share and carry a right to receive dividends. The portion of authorized capital reserved for the issuance of employee stock options is 27,000 thousand shares.

(2) Capital Reserve

	September 30, 2023	December 31, 2022	September 30, 2022
It may be used to offset losses, distribute cash, or allocate to share capital.			
Additional paid-in capital	$ 200,025	$ 200,025	$ 200,025
Treasury share transactions	25,915	25,915	25,915
Donated assets received	757	757	757
	$ 226,697	$ 226,697	$ 226,697

The capital surplus could be used to offset a deficit and distribute as cash dividends or transfer to capital when the Company has no deficit (limited to a certain percentage of the Company’s paid-in capital and once a year).

(3) Retained earnings and dividend policy

According to the company's articles of association and profit distribution policy, if there is a surplus in the annual financial statements, it shall be used to pay taxes and make up for accumulated losses. Subsequently, 10% is set aside as statutory surplus reserve until it reaches the paid-in capital. Any remaining surplus may be allocated or reversed according to the company's operational needs or legal requirements as special surplus reserves. If there is still a balance, it will be added to the accumulated undistributed profits, and the board of directors will propose a profit distribution resolution to the shareholders' meeting for approval, ranging from 10% to 100%. Please refer to Note 23 (7) regarding the policy for remuneration to the employees and the directors as stipulated in the Company's Articles of Incorporation.

The cash dividend shall not be less than 30% of the total dividend. However, if the cash dividend per share is less than NT$0.1, it may be changed to a stock dividend. The ratio of profit distribution may be adjusted based on factors such as the actual profit for the year, capital budgeting, and financial conditions.

Appropriation of earnings to legal reserve could be made until the legal reserve equals the Company’s paid-in capital. Legal reserve may be used to offset deficit. When the company has no losses, the portion of the statutory surplus reserve exceeding 25% of the total paid-in capital may be used for capitalization, and the remainder may be distributed in cash.

The company held shareholder meetings on June 29, 2023, and June 20, 2022, respectively, and passed resolutions for the appropriation of losses for the years 2022 and 2021.

22. Income

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Revenue from contracts with customers				
Revenue from sale of goods	$ 295,277	$ 384,421	$ 876,073	$ 1,219,462

(1) Balance of contract

	September 30, 2023	December 31, 2022	September 30, 2022	January 1, 2022
Accounts receivable (note 10)	$ 452,006	$ 394,030	$ 565,924	$ 639,838

(2) Segmentation of customer contracts

Please refer to Note 32 for a detailed breakdown of customer contract revenue.

23. Net Profit

(1) Interest income

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Bank deposits	$ 410	$ 261	$ 1,945	$ 606

(2) Other income

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Rental income	$ 4,120	$ 3,958	$ 11,902	$ 13,199

(3) Other gains and losses

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Foreign currency exchange gain (loss), net	($ 265)	$ 27,039	$ 10,767	$ 54,643
Gain (loss) arising from financial assets and financial liabilities				
Financial assets mandatorily classified as at FVTPL	11	(196)	483	(395)
Others	664	2,698	3,351	3,702
	$ 410	$ 29,541	$ 14,601	$ 57,950

(4) Financial cost

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Interest expense from bank borrowings	$ 558	$ 578	$ 1,715	$ 1,920
Interest expense from lease liabilities	547	566	1,585	1,739
	$ 1,105	$ 1,144	$ 3,300	$ 3,659

(5) Depreciation expenses

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Analysis of depreciation by function				
Operating costs	$ 5,349	$ 5,895	$ 16,671	$ 17,328
Operating expenses	2,213	2,631	7,224	7,660
Non-operating expenses	583	323	1,744	1,455
	$ 8,145	$ 8,849	$ 25,639	$ 26,443

(6) Employee welfare expenses

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Retirement benefits				
Defined contribution plan	$ 2,410	$ 2,617	$ 7,720	$ 7,774
Defined benefit plan (Note 20)	19	23	57	69
	2,429	2,640	7,777	7,843
Others	62,776	60,252	184,660	166,887
Total	$ 65,205	$ 62,892	$ 192,437	$ 174,730

Analysis of employee benefits by function				
Operating costs	$ 26,022	$ 31,577	$ 80,724	$ 83,518
Operating expenses	39,183	31,315	111,713	91,212
	$ 65,205	$ 62,892	$ 192,437	$ 174,730

(7) Employee remuneration and directors' remuneration

The company, according to its articles of association, allocates employee compensation and director remuneration based on a percentage of the pre-tax profit for the fiscal year, before deducting the amounts distributed to employees and directors. The allocation ranges from 3% to 15% for employee compensation and from 1% to 5% for director remuneration. For the nine-month period ended September 30, 2023 and 2022, the company had pre-tax net losses and pre-tax net profit, respectively. However, as the company still has accumulated losses, no provision has been made for employee compensation and director remuneration.

If the amounts in the annual consolidated financial statements change after the date of issuance, they will be adjusted in the following year's financial statements in accordance with accounting estimates.

The company held board meetings on March 17, 2023, and March 29, 2022, respectively, and passed resolutions not to distribute employee compensation and director remuneration for the years 2022 and 2021, and the amounts recognized in the 2023 and 2022 consolidated financial statements are consistent with the 2022 and 2021 financial statements.

Information on employee compensation and directors’ compensation resolved by the Company’s Board of Directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

(8) Gains/losses on foreign currency exchange

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Total foreign exchange gain	$ 28,660	$ 42,943	$ 72,726	$ 111,683
Total foreign exchange loss	(28,925)	(15,904)	(61,959)	(57,040)
Net profit or loss	($ 265)	$ 27,039	$ 10,767	$ 54,643

24. Income Tax

(1) Income tax recognized in profit or loss

The main components of income tax benefits (expenses) are as follows:

	July 1, 2023, to September 30, 2023	July 1, 2022, to Septvvvvvvemb er 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Current tax				
In respect of the current period	$ -	($ 17,607)	$ 1,684	($ 25,450)
Adjustments for prior years	4	(44)	7,784	(28,937)
	4	(17,651)	9,468	(54,387)
Deferred tax				
In respect of the current period	1,387	(5,000)	(1,689)	732
Adjustments for prior years	-	-	18,550	(828)
	1,387	(5,000)	16,861	(96)
Income tax gains (expenses) recognized in profit or loss	$ 1,391	($ 22,651)	$ 26,329	($ 54,483)

(2) Authorization of income tax

The Company's business income tax returns up to 2021 have been approved by the tax collection authority.

The income tax return of J.H.K, J.H.P, and J.B.T has been filed within the time limit regulated by local tax authorities.

Since JHI was established in Samoa, there is no relevant income tax burden.

25. Earnings (Losses) Per Share

The net profit (loss) and the weighted average number of ordinary shares used to calculate the earnings (loss) per share are as follows:

Net income (loss) for the period

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Net income (loss) for the period	($ 21,768)	$ 2,871	($ 38,043)	($ 16,698)

No. of shares

Unit: thousands of shares

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Weighted average number of ordinary shares used to calculate basic earnings (losses) per share	112,719	112,719	112,719	112,719

26. Financial Instruments

(1) Fair value – financial instruments not measured at fair value

The Group believes the carrying amounts of financial assets and financial liabilities that are not measured at fair value approximated their fair values.

(2) Fair value – financial instruments at fair value on a recurring basis

1. Fair value hierarchy

September 30, 2023

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss				
Fund beneficiary certificate	$ 22,417	$ -	$ -	$ 22,417
Foreign listed (OTC) stocks	1,543	-	-	1,543
Foreign unlisted (OTC) stocks	-	-	353	353
	$ 23,960	$ -	$ 353	$ 24,313

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss				
Foreign listed (OTC) stocks	$ 1,265	$ -	$ -	$ 1,265
Foreign unlisted (OTC) stocks	-	-	336	336
	$ 1,265	$ -	$ 336	$ 1,601

September 30, 2022

	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss				
Foreign listed (OTC) stocks	$ 1,098	$ -	$ -	$ 1,098
Foreign unlisted (OTC) stocks	-	-	1,216	1,216
	$ 1,098	$ -	$ 1,216	$ 2,314

There were no transfers between Level 1 and Level 2 fair value measurements for the nine-month period ended September 30, 2023 and 2022.

2. Reconciliation of Level 3 fair value measurements of financial instruments

January 1, 2023, to September 30, 2023

	FVTPL
Financial assets	Equity instruments
Beginning Balance	$ 336
Foreign exchange rate effect	17
Ending Balance	$ 353

January 1, 2022, to September 30, 2022

	FVTPL

Financial assets	Equity instruments
Beginning Balance	$ 1,061
Foreign exchange rate effect	155
Ending Balance	$ 1,216

3. Valuation techniques and inputs for Level 3 fair value measurement

The valuation of foreign unlisted (OTC) stocks is conducted using the cost method.

(3) Types of financial instruments

	September 30, 2023	December 31, 2022	September 30, 2022
Financial assets			
FVTPL			
Financial assets mandatorily classified as at FVTPL	$ 24,313	$ 1,601	$ 2,314
Financial assets at amortized cost (note 1)	743,372	819,773	1,011,240
Financial liabilities			
Measured at amortized cost (note 2)	460,558	411,226	636,345

Note 1: The balance includes cash and cash equivalents, financial assets measured at amortized cost, accounts and notes receivable, other receivables (included under other current assets), other receivables - related parties (included under other current assets), and deposits as collateral (included under other non-current assets), all measured at amortized cost.

Note 2: The balances include financial liabilities at amortized cost, which comprise short-term borrowings, notes and accounts payable, other payables, and guarantee deposits received.

(4) Financial risk management objectives and policies

The consolidated company engages in various financial instruments in its operating activities, including equity instrument investments, accounts receivable, accounts payable, bank borrowings, and lease liabilities. However, due to the aforementioned financial instruments and operating activities, the Group is exposed to risks such as credit risks, liquidity risks, and market risks.

To avoid the possible adverse impacts from the aforementioned financial risks on the Group, the Group has been dedicated to analyzing, identifying, and evaluating relevant financial risks. The financial risk management framework of the Group is supervised by the Board of Directors. The accounting department establishes and follows financial risk management policies. Financial risk control procedures are regularly and irregularly reviewed by the internal auditors and related results are reported to the Board of Directors on a regular basis. The Group is committed to developing a disciplined and constructive control environment to reduce the potential adverse impact of the aforementioned risks on the Group.

1. Market risk

The Group’s activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below).

There were no changes in the exposures of financial instruments to market risk and the management and measurement of such exposures.

(1) Exchange rate risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed by hedging which was not for the purpose of making profits. Foreign currency inflows and outflows resulted in natural hedging effects in the long run, and exchange rate changes had little impact on the Company's operations. Therefore, the Company only adjusted the cash reserves of foreign currency deposits and did not use accounts receivable/payable as derivative products for hedging. However, the hedging for exchange rate risk will be carried out through relevant commodities in a timely manner based on the exchange rate movement and the evaluation report of financial institutions.

For non-functional currency denominated monetary assets and monetary liabilities on the balance sheet date in the consolidated financial statements (including non-functional currency denominated monetary items offset in the consolidated financial statements), please refer to Note 30.

Sensitivity Analysis

The Group is primarily affected by fluctuations in the U.S. dollar exchange rate.

The following schedule details the sensitivity analysis of the Group when the New Taiwan Dollar (functional currency) strengthens or weakens by 1% against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible changes in foreign exchange rates. The sensitivity analysis includes only the outstanding monetary items in foreign currency. Also, the translation at the period-end is adjusted in accordance with the changes of exchange rates by 1%. The positive values in the table indicate that when the New Taiwan Dollar depreciates by 1% against the respective currencies, it will result in a decrease in pre-tax net loss/increase in net profit by the corresponding amount. Conversely, when the New Taiwan Dollar appreciates by 1% against the respective foreign currencies, the impact on pre-tax net loss/net profit will be an equal negative amount.

	USD impact	
	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Profit or loss	$ 2,748	$ 5,390

This was mainly due to the Group's bank deposits and receivables and payables denominated in U.S. dollars that were outstanding and not cash flow hedged at the balance sheet date.

The decrease in the consolidated company's sensitivity to exchange rates during this period is mainly due to a reduction in sales denominated in US dollars, leading to a decrease in accounts receivable denominated in US dollars.

(2) Interest rate risk

The carrying amounts of the Group's financial assets and financial liabilities exposed to interest rate risk as of the balance sheet date were as follows:

	September 30, 2023	December 31, 2022	September 30, 2022
Fair value interest rate risk			
Financial assets	$ 106,486	$ 103,960	$ 145,902

Financial liabilities	49,151	46,306	51,493
Cash flow interest rate risk			
Financial assets	191,808	318,133	302,929
Financial liabilities	100,000	100,000	125,000

Sensitivity Analysis

The sensitivity analyses below have been determined on the basis of the exposure to interest rates for non-derivative instruments on balance sheet dates. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the asset and liability outstanding on the balance sheet dates outstanding for the entire period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management’s assessment of the reasonably possible change in interest rates.

If the interest rates increase/decrease by 100 basis points, with all other variables remaining constant, the pre-tax net loss/profit for the nine-month period ended September 30, 2023 and 2022, would decrease/increase by NT$689 thousand and NT$1,334 thousand, respectively, primarily due to the net position of the consolidated company's variable-rate deposits and variable-rate borrowings.

(3) Other pricing risks

The consolidated company's investment in equity securities generates equity price risk. The consolidated company's equity securities investments incurred equity price volatility. The Group does not actively trade these investments. Relevant personnel have been assigned to the supervision of price risk and assessment of the timing of increasing the hedging.

As the amount of equity investment was not material, there was no significant price risk of changes in equity price.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As of the balance sheet date, the Group’s maximum exposure to credit risk resulting from the counterparty’s default on its contractual obligations and the Group’s provision of financial guarantee is the carrying amount of the financial assets on the consolidated balance sheets.

To mitigate the impact of credit risk, the Group considers the default risk by industries and countries of each customer, as well as the nature of the counterparty (capital scale, loan status, etc), based on which credit policies, payment terms, and trade terms were established by the accounting department. If necessary, a third-party risk assessment institution is engaged to assess its risk. Relevant terms are reviewed and audited by the audit office regularly.

Given that most of the major customers are well-known domestic listed (TWSE/TPEx) companies with normal transaction records, the default risks are quite low. The risk from new small customers is managed by only receiving advance payments or cash. After the transaction basis becomes stable, the credit limit is updated by referring to external information. Hence, there is a limited impact of credit risk on the Group. Furthermore, the Group has established a provision policy, set an allowance account, and presented in the statement to reflect the estimation of the potential loss resulting from the credit risk.

3. Liquidity risk

Liquidity risk refers to the risk that relevant obligations are not fulfilled due to the Group's failure to settle the financial liabilities in cash or other financial assets. The share capital and working capital of the Group is sufficient, therefore there is no liquidity risk from the inability to raise capital for fulfilling contractual obligations. Bank borrowing is an important source of liquidity for the Group. As of September 30, 2023, and for the periods ended on December 31, 2022 and September 30, 2022, the unused short-term bank financing limits of the consolidated company were NT$320,000 thousand, NT$320,000 thousand, and NT$ 295,000 thousand, respectively.

<u>Liquidity and interest rate risk tables for non-derivative financial liabilities</u>

The analysis for the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods has been drawn up based on the undiscounted cash flows (including both the principal and estimated interests) of financial liabilities from the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clauses were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

The undiscounted interest payment relating to borrowings with variable interest rates was extrapolated based on the yield curve as of the end of the reporting period.

September 30, 2023

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	More than 5 Years
Non-derivative Financial Liabilities					
Non-interest bearing liabilities	$ 37,349	$ 59,187	$ 247,720	$ 2,195	$ -
Lease liabilities	132	263	4,206	15,112	59,290
Variable interest rate liabilities	180	541	102,218	-	-
	$ 37,661	$ 59,991	$ 354,144	$ 17,307	$ 59,290

Further information on lease expiration analysis is as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	More than 20 Years
Lease liabilities	$ 4,601	$ 15,112	$ 15,400	$ 15,400	$ 15,400	$ 13,090

December 31, 2022

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	More than 5 Years
Non-derivative Financial Liabilities					
Non-interest bearing liabilities	$ 71,034	$ 149,239	$ 88,749	$ 2,203	$ -
Lease liabilities	-	-	3,596	14,384	71,920
Variable interest rate liabilities	-	-	100,111	-	-
	$ 71,034	$ 149,239	$ 192,456	$ 16,587	$ 71,920

Further information on the analysis for contractual maturities for lease liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	More than 20 Years
Lease liabilities	$ 3,596	$ 14,384	$ 17,980	$ 17,980	$ 17,980	$ 17,980

September 30, 2022

	On Demand or Less than	1-3 Months	3 Months to 1 Year	1-5 Years	More than 5 Years

	1 Month				
Non-derivative Financial Liabilities					
Non-interest bearing liabilities	$ 56,979	$ 66,771	$ 360,970	$ 2,169	$ -
Lease liabilities	-	-	3,399	13,597	69,684
Variable interest rate liabilities	118	354	125,012	-	-
	$ 57,097	$ 67,125	$ 489,381	$ 15,766	$ 69,684

Further information on the analysis for contractual maturities for lease liabilities was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years	More than 20 Years
Lease liabilities	$ 3,399	$ 13,597	$ 16,996	$ 16,996	$ 16,996	$ 18,696

27. Related-Party Transactions

Transactions, balances, revenues, and expenses between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. The transactions between the Group and other related parties are as follows.

(1) Names of related parties and their relationships

Related Party Name	Related Party Category
Chuzhou Ding Wang	Associate

(2) Receivables from related parties

Account Item	Related Party Category	September 30, 2023	December 31, 2022	September 30, 2022
Other receivables – related parties (included in other current assets)	Associate	$ 2,137	$ 2,097	$ 2,126

The interest rate of short-term loans to related parties was equal to the market rate. The loans provided by the Group to related parties are unsecured loans.

As of September 30, 2023, and for the periods ended on December 31, 2022, and September 30, 2022, the aforementioned other receivables from related parties of the consolidated company with associated enterprises were all accrued interests.

(3) Others

Account Item	Name of Related Party	September 30, 2023	December 31, 2022	September 30, 2022
Other current liabilities	Chuzhou Ding Wang	$ 82,000	$ 80,447	$ 81,588

The resolution of capital reduction of Chuzhou Ding Wang by 78% has been passed by the shareholders' meeting in November 2020. The Group received a full refund of capital reduction in November 2020. As Chuzhou Ding Wang has not completed the relevant procedures for changes of registration, the refund received was recognized in other current liabilities.

(4) Key Management Compensation

	July 1, 2023, to September 30, 2023	July 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Short-term employee benefits	$ 3,337	$ 1,511	$ 7,111	$ 5,095
Post-employment benefits	158	86	328	255
	$ 3,495	$ 1,597	$ 7,439	$ 5,350

The compensation to directors and key management was determined by the remuneration committee based on individual performance and market.

28.Pledged Assets

The following assets have been provided as collateral for financing loans:

	September 30, 2023	December 31, 2022	September 30, 2022
Property, plants, and equipment	$ 91,477	$ 92,038	$ 92,225
Investment properties	65,386	66,374	66,703
	$ 156,863	$ 158,412	$ 158,928

29. Significant Contingent Liabilities and Unrecognized Contractual Commitments

1. On August 21, 2023, our company signed a land sale and purchase contract for the New Taipei City Urban Planning Reserved Land for Public Facilities. We acquired 10 lots of land in Xindian District, along with the floor area transfer rights generated in accordance with the "Urban Planning Floor Area Transfer Implementation Act" and the "New Taipei City Urban Planning Floor Area Transfer Permit Examination Guidelines." The transaction price was NT$96,080 thousand. As of September 30, 2023, NT$57,640 thousand had be paid and was recognized as other non-current assets.
2. On August 30, 2023, the Board of Directors authorized the Chairman to sign a share purchase agreement with Chintek Electronics Technology Limited to acquire 100% of its shares. The transaction price was NT$98,000 thousand. The first phase delivery was completed on October 27, 2023, transferring 820,000 shares (51.25%). The

second phase delivery is expected to be completed on November 30, 2023, transferring 780,000 shares (48.75%)."

30. Significant Assets and Liabilities Denominated in Foreign Currency

The following information is aggregated by foreign currencies other than the functional currencies of the Group. The exchange rates disclosed refer to the rates at which the foreign currencies were converted into functional currencies. The significant assets and liabilities denominated in foreign currencies were as follows:

September 30, 2023

	Foreign currencies	Exchange Rate	Carrying Amount (NTD)
Financial assets			
Monetary Item			
USD	$ 8,095	32.27 (USD:NTD)	$ 261,226
USD	13,500	7.1798 (USD:CNY)	435,645
USD	260	36.579 (USD:THB)	8,390
Financial Liabilities			
Monetary Item			
USD	10,665	32.27 (USD:NTD)	344,160
USD	2,547	7.1798 (USD:CNY)	82,192
USD	128	36.579 (USD:THB)	4,131

December 31, 2022

	Foreign currencies	Exchange Rate	Carrying Amount (NTD)
Financial assets			
Monetary Item			
USD	$ 10,969	30.71 (USD:NTD)	$ 336,858
USD	11,195	6.9647 (USD:CNY)	343,798
USD	20	34.3474 (USD:THB)	614
Financial Liabilities			
Monetary Item			
USD	8,353	30.71 (USD:NTD)	256,521
USD	2,928	6.9647	89,919

		(USD:CNY)	
USD	223	34.3474 (USD:THB)	6,848

September 30, 2022

	Foreign currencies	Exchange Rate	Carrying Amount (NTD)
Financial assets			
Monetary Item			
USD	$ 15,958	31.75 (USD:NTD)	$ 506,667
USD	12,682	7.0998 (USD:CNY)	402,654
USD	53	37.5651 (USD:THB)	1,683
Financial Liabilities			
Monetary Item			
USD	8,593	31.75 (USD:NTD)	272,828
USD	2,846	7.0998 (USD:CNY)	90,361
USD	277	37.5651 (USD:THB)	8,795

The Group was mainly subject to the foreign exchange risk of USD. The following information is summarized based on the entity holding foreign currencies and expressed in functional currency. The exchange rates disclosed are used to translate the functional currencies into the expressing currency. Foreign exchange gains and losses with material influence (including realized and unrealized) are as follows:

	July 1, 2023, to September 30, 2023		July 1, 2022, to September 30, 2022	
Functional currency	Functional currency to currency presented	Net exchange gains (losses)	Functional currency to currency presented	Net exchange gains (losses)
THB	0.91 (THB:NTD)	$ 19	0.84 (THB:NTD)	($ 646)
NTD	1 (NTD: NTD)	(1,159)	1 (NTD: NTD)	7,102
CNY	4.42 (CNY: NTD)	875	4.45 (CNY: NTD)	20,583
		($ 265)		$ 27,039

	January 1, 2023, to September 30, 2023		January 1, 2022, to September 30, 2022	
Functional currency	Functional currency to currency presented	Net exchange gains (losses)	Functional currency to currency presented	Net exchange gains (losses)
THB	0.90 (THB:NTD)	$ 232	0.85 (THB:NTD)	($ 1,162)

NTD	1 (NTD: NTD)	(841)	1 (NTD: NTD)	13,197
CNY	4.41 (CNY: NTD)	11,376	4.44 (CNY: NTD)	42,608
		$ 10,767		$ 54,643

31. Disclosures in the Notes

(1) Information about significant transactions:

1. Loaning of funds to others (None)
2. Making endorsements/guarantees for others. (None)
3. Marketable securities held at the end of the period (excluding investments in subsidiaries and affiliates) (Table 1)
4. The cumulative amount of buying or selling the same securities reaches NT$300 million or more than 20% of the paid-in capital. (None)
5. The amount of real estate acquisition reaches NT$300 million or more than 20% of the paid-in capital. (None)
6. The amount of property disposed of at or above NT$300 million or 20% of the paid-in capital. (None)
7. Total purchases from and sales to related parties reaching 100 million NTD or more than 20% of the Paid-in capital. (Table 2)
8. Accounts receivable from related parties reaching at least NT$100 million or 20% of the paid-in capital. (Table 3)
9. Trading in derivative instruments. (None)
10. Others: The business relationship between the parent and its subsidiaries and between each subsidiary and the circumstances and amounts of any significant transactions or transactions between them. (Table 4)

(2) Information on invested businesses (Table 5)

(3) Investment information in Mainland China

1. The name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment, repatriations of investment income, and limit of investment in mainland China of the investee company in mainland China, including the name, main business activities, and amount of principal business activities in mainland China. (Table 6)

2. Any of the following significant transactions with the investee in Mainland China, either directly or indirectly through a third region, and their prices, terms of payment, and unrealized gain or loss: (None)

(1) The amount and percentage of purchases, and the ending balance and percentage.

(2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

(3) The amount of property transactions and the amount of the resultant gains or losses.

(4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

(5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

(6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

(4) Information on major shareholders: the names of shareholders with a shareholding ratio of more than 5%, the number and percentage of shareholdings. (Table 7)

32. Segment information

(1) Segment revenue and operating result

The following was an analysis of revenue and results of the continuing operation of the Group by the reporting segment.

	Segment Revenue		Segment Income (Loss)	
	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022	January 1, 2023, to September 30, 2023	January 1, 2022, to September 30, 2022
Connection cables	$ 845,835	$ 1,190,626	$ 30,451	$ 51,997
Others	30,238	28,836	(944)	1,281
Operating Segment, net	$ 876,073	$ 1,219,462	29,507	53,278
Administrative expenses			(107,419)	(84,613)
Expected credit loss (reversal)			(11,611)	1,021
Interest income			1,945	606
Other income			11,902	13,199
Other gains and losses			14,601	57,950
Finance costs			(3,300)	(3,659)
Share of profit or loss of affiliates under the equity method			3	3
Profit (loss) before tax			($ 64,372)	$ 37,785

The above revenue were generated through transactions with external customers. There were no inter-segment sales for the nine-month period ended September 30, 2023 and 2022.

Departmental profit refers to the profit earned by each department, excluding allocated management expenses, expected credit (impairment losses) reversal gains, other income, other gains and losses, the share of profits and losses from associated enterprises accounted for using the equity method, financial costs, and income tax (expense). This is the measure reported to the Group's chief operating decision maker to allocate resources to each segment and evaluate its performance.

(2) Segment assets

As the measurement amounts of assets were not provided to the operating decision-makers, the measurement amounts of total assets and liabilities were not disclosed.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Marketable Securities Held

September 30, 2023

Table 1

Unit: Unless otherwise stated, in NT$ thousands.

Holding Company Name	Marketable Securities Type and Name	Relationship with the issuer of securities	Financial Statement Account	End of the period				Remarks
				No. of shares	Carrying Amount	Shareholding ratio	Fair value	
Ji-Haw Industrial, Co., Ltd.	shares							
	Chunghwa Picture Tubes, Ltd.	—	Current financial assets at fair value through other comprehensive income	604	$ -	-	$ -	Note 2
	Soyo Link Energy Co., Ltd.	—	Non-current financial assets at fair value through other comprehensive income	300,000	-	7.14	-	Note 2
	Li Wang Technology Co., Ltd.	—	Non-current financial assets at fair value through other comprehensive income	185,185	-	6.90	-	Note 2
	S SQUARE SYSTEM LTD.	—	Non-current financial assets at fair value through other comprehensive income	747	-	3.19	-	Note 2
J.H.I	shares							
	Vision Works Inc.	—	Non-current financial assets at fair value through profit or loss	190,000	353	19.00	353	Note 2
	ING Group N.V.	—	Current financial assets at fair value through profit or loss	3,000	1,276	-	1,276	Note 2
	TESLA MORTORS INC	—	Current financial assets at fair value through profit or loss	30	242	-	242	Note 2
	BEYOND MEAT INC	—	Current financial assets at fair value through profit or loss	80	25	-	25	Note 2
J.B.T	Fund beneficiary certificate							
	KTSS127	—	Current financial assets at fair value through profit or loss	1,912,834.9456	22,417	-	22,417	Note 2

Note 1: Marketable securities stated in this table refer to stocks within the scope of IFRS 9 "Financial Instruments".

Note 2: Not provided as collateral, pledged, or restricted in other ways.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital

From January 1, 2023, to September 30, 2023.

Table 2

Unit: Unless otherwise stated, in NT$ thousands.

Buyer (Seller)	Related Party	Relationship	Transaction Details				Transaction with Terms Different from Others		Notes/Accounts Receivable (Payable)		Remarks
			Purchase (Sale)	Amount	Percentage to Total Sales (Purchases) (%)	Collection/Payment terms	Unit Price	Collection/Payment terms	Ending Balance	Percentage to Total Notes/Accounts Receivable (Payable) (%)	
Ji-Haw Industrial, Co., Ltd.	J.H.P	Subsidiaries	Purchase	$ 390,779	94	Note 1	—	Note 1	($ 331,715)	96	—
J.H.P	Ji-Haw Industrial, Co., Ltd.	Parent	Sales	(390,779)	49	Note 1	—	Note 1	331,715	62	—

Note 1: Payment terms are 150 days from the end of the month.

Note 2: All transactions listed above have been eliminated in the consolidated financial statements.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

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

September 30, 2023

Table 3

Unit: Unless otherwise stated, in NT$ thousands.

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
J.H.P	Ji-Haw Industrial, Co., Ltd.	Parent Company	$ 331,715	1.87	$ -	—	50,235	$ -

Note 1: All transactions listed above have been eliminated in the consolidated financial statements.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Business relationships and significant transaction dealings and amounts between the parent and subsidiary companies and among subsidiary companies.

From January 1, 2023, to September 30, 2023.

Table 4

Unit: Unless otherwise stated, in NT$ thousands.

No. (Note 1)	Investee Company	Counterparty	Relationship (Note2)	Transaction Details			
				Financial Statement Accounts	Amount	Payment Terms	Percentage to Total Sales or Assets (%) (Note 3)
0	Ji-Haw Industrial, Co., Ltd.	J.H.P	1	Purchase	$ 390,779	By contract terms	45
		J.H.P	1	Accounts payable	331,715	150 days from the end of month	21

Note 1: "0" stands for the parent company. Subsidiaries are numbered from "1".

Note 2: 1 represents the company's transactions with its subsidiaries; 2 represents transactions between subsidiaries.

Note 3: Regarding calculation of the percentage of transaction amount to the total consolidated revenue or assets, for assets and liabilities, amounts are shown as a percentage to consolidated total assets as of December 31, 2022, while revenues, costs, and expenses are shown as a percentage to consolidated total operating revenues for the year ended December 31, 2022.

Note 4: All transactions listed above have been eliminated in the consolidated financial statements.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Information on investees

From January 1, 2023, to September 30, 2023.

Table 5

Unit: Unless otherwise stated, in NT$ thousands.

Investor	Investee	Location	Main business or production items	Initial investment amount		Balance as of December 31, 2022			Net profit (loss) of the investee for the year ended December 31, 2021	Investment income (loss) recognized by the Company for the year ended December 31, 2021 (Note 1)	Remarks
				September 30, 2023	December 31, 2022	No. of shares	Percentage of ownership (%)	Carrying Amount			
Ji-Haw Industrial, Co., Ltd.	J.B.T	227, M003, Laem Chabang Industrial Estate, Sukhumvit Road, Thungsukla, Sriracha, Chonburi 20230 Thailand	Manufacturing and trading of computer cables or plugs	$ 207,215	$ 207,215	18,600,000	100.00	$ 528,171	($ 1,580)	($ 1,580)	—
	J.H.I	Sertus Chambers, P.O. Box 603, Apia, Samoa.	Investing in overseas financial products and stocks	9,649	9,649	300,000	100.00	4,783	276	276	—

Note 1: The financial statements of the significant subsidiary J.B.T. have been reviewed by the accountant, and the financial statements of J.H.I. have been calculated without being reviewed by the accountant for the same period.

Note 2: Refer to Table 6 for information on investment in mainland China.

Note 3: Investment income, investment accounting for using equity method, and the net asset value of the investee showed on the table above have been eliminated from consolidation.

Ji-Haw Industrial, Co., Ltd., and Subsidiaries

Information on investment in mainland China

From January 1, 2023, to September 30, 2023.

Table 6

Unit: Unless otherwise stated, in NT$ thousands.

Investees in Mainland China	Main business or production items	Paid-in capital	Method of Investment	Accumulated Outflow of Investment from Taiwan at the Beginning of Period	Investment Flows		Accumulated Outflow of Investment from Taiwan at the End of Period	Net Profit (Loss) of Investee (Note 1)	% Ownership through Direct or Indirect Investment	Investment net profit (Loss) (Note 1)	Carrying Amount at the End of the Period (Note 1)	Accumulated Inward Remittance of Earnings at the End of Period	Remarks
					Ouflow	Inflow							
J.H.K	Manufacturing and trading of computer cables or plugs	US$100,000	Direct investment with 100% ownership	$ 3,227 (US$ 100,000)	$ -	$ -	$ 3,227 (US$ 100,000)	$ 171	100%	$ 171	$ 81,063	$ 277,250	—
J.H.P	Manufacturing and trading of precision ceramics, precision molds, and computer cables and plugs	US$12,600,000	40.48% held directly by the Company and 59.52% held directly by the 100% owned subsidiary, J.B.T.	309,792 (US$9,600,000)	-	-	309,792 (US$9,600,000)	18,235	100%	18,235	663,848	-	Note 3
Chuzhou Ding Wang	Investment development	CNY60,180,000	Held directly by the 100% owned subsidiary, J.H.P.	-	-	-	-	7	39%	3	100,879	-	—

Accumulated Investment in Mainland China as at the End of Period	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment Authorized by Investment Commission, MOEA (Note 4)
$ 313,019 (US$9,700,000)	$ 409,829 (US$12,700,000)	$ 596,733 (Note 4)

Note 1: Calculations are based on the unreviewed financial statements of the investees, except for JHP that has been reviewed by a certified public accountant.

Note 2: Except for the investee company's current period income and recognized gains (losses) from investments recognized in the current period, which are calculated using the average exchange rate from January 1, 2023, to September 30, 2023, the rest are calculated using the spot exchange rate at the end of September 2023.

Note 3: The investment income recognized in the current period was NT$18,235 thousand, of which NT$7,381 thousand was recognized by the Company based on its shareholding percentage of 40.48%, and the remaining investment income of NT$10,854 thousand was recognized through the wholly-owned subsidiary J.B.T. based on its shareholding percentage of 59.52%.

Note 4: Calculated pursuant to Article 3 of "Principle of investment or Technical Cooperation in Mainland China", MOEA, which was the higher of the net worth of the entity or 60% of the consolidated net worth.

Note 5: The investment gains (losses) among the related investment companies, the investments accounted for using the equity method by investment companies, and the net equity of the investee companies, as shown in the above table, have been eliminated upon the preparation of the consolidated financial statements, except for Chuzhou Ding Wang Company.

Ji-Haw Industrial, Co., Ltd.

Information on major shareholders

September 30, 2023

Table 7

Name of The Major Shareholder	Shares	
	Number of Shares Owned	Shareholding ratio
Hou Chia-Chang	6,413,000	5.68%

Note: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The number of shares stated in the consolidated financial statements of the company may differ from the actual number of shares delivered without physical registration, potentially due to variations in the calculation methodology or other factors.