6. Financial Standing

6.1 Most Recent 5-Year Concise Financial Information

6.1.1 Most Recent 5-Year Concise Consolidated Balance Sheet and Consolidated Statement of Comprehensive income

Concise Consolidated Balance Sheet

Unit：NT$ thousands

Item \ Period		Most recent 5-Year Financial Information(Note1)					2024(As of March 31) (Note 3)
		2019	2020	2021	2022	2023	
Current assets		278,747,752	361,960,347	421,786,551	342,985,667	361,461,400	-
Net property, plant and equipment		40,673,093	36,572,342	42,209,556	51,515,209	46,598,037	-
Intangible assets		957,532	1,104,234	1,730,173	2,149,731	2,459,680	-
Other assets		23,797,958	29,185,522	31,571,526	36,257,167	41,871,659	-
Total assets		344,176,335	428,822,445	497,297,806	432,907,774	452,390,776	-
Current Liabilities	Before Distribution	238,928,971	313,699,489	365,583,359	286,725,416	288,251,757	-
	After Distribution	244,610,195	319,958,144	371,841,222	294,126,217	(Note2)	-
Non-current liabilities		21,346,290	31,196,877	39,229,668	27,529,802	35,375,847	-
Total Liabilities	Before Distribution	260,275,261	344,896,366	404,813,027	314,255,218	323,627,604	-
	After Distribution	265,956,485	351,155,021	411,070,890	321,656,019	(Note2)	-
Equity attributable to owners of the Company		73,950,584	71,565,777	77,916,938	96,382,149	104,224,111	-
Common stock		28,406,121	28,406,121	29,032,521	29,016,021	28,997,661	-
Capital surplus		24,681,872	25,760,011	28,834,524	35,050,440	37,389,984	-
Retained Earnings	Before Distribution	24,398,715	26,853,167	31,098,687	36,357,506	40,680,803	-
	After Distribution	18,717,491	20,594,512	24,840,824	28,956,705	(Note2)	-
Other equity		(3,536,124)	(7,846,263)	(9,441,535)	(2,550,702)	(1,934,548)	-
Treasury stock		-	(1,607,259)	(1,607,259)	(1,491,116)	(909,789)	-
Non-controlling interests		9,950,490	12,360,302	14,567,841	22,270,407	24,539,061	-
Stockholders' Equity	Before Distribution	83,901,074	83,926,079	92,484,779	118,652,556	128,763,172	-
	After Distribution	78,219,850	77,667,424	86,226,916	111,251,755	(Note2)	-

Note1: The above financial information audited by CPA.
Note2: Pending shareholders' approval.
Note3: The financial information for the first quarter of 2024 has not been reviewed by CPA.

Concise Consolidated Statement of Comprehensive income

Unit：NT$ thousands

Item \ Period	Most Recent 5-Year Financial Information(Note1)					2024(As of March 31) (Note 2)
	2019	2020	2021	2022	2023	
Operating revenue	878,255,078	845,011,844	862,082,848	984,619,156	867,057,007	-
Gross profit	42,158,550	46,053,180	51,134,716	69,728,692	68,982,873	-
Operating income	13,299,845	14,471,062	16,374,638	27,472,144	27,390,257	-
Non-operating income and expenses	(523,779)	2,374,313	2,859,639	(2,761,230)	(3,069,563)	-
Profit before tax	12,776,066	16,845,375	19,234,277	24,710,914	24,320,694	-
Net income for continuing operations	9,726,243	12,907,896	14,727,811	19,017,547	18,265,285	-
Income from discontinued operations, net of income tax effect	-	-	-	-	-	-
Net income	9,726,243	12,907,896	14,727,811	19,017,547	18,265,285	-
Other comprehensive income for the year, net of tax	253,372	(4,006,611)	(2,018,306)	7,756,858	736,460	-
Total comprehensive income for the year	9,979,615	8,901,285	12,709,505	26,774,405	19,001,745	-
Profit attributable to owners of the Company	6,800,768	8,681,762	10,468,030	11,162,451	11,471,616	-
Profit attributable to non-controlling interests	2,925,475	4,226,134	4,259,781	7,855,096	6,793,669	-
Total comprehensive income attributable to owners of the Company	7,111,916	4,822,894	8,548,311	18,022,661	12,138,989	-
Total comprehensive income attributable to non-controlling interests	2,867,699	4,078,391	4,161,194	8,751,744	6,862,756	-
EPS	2.40	3.10	3.76	4.01	4.08	-

Note1: The above financial information audited by CPA.
Note2: The financial information for the first quarter of 2024 has not been reviewed by CPA.

6.1.2 Most Recent 5-Year Concise Balance Sheet and Statement of Comprehensive income

Concise Balance Sheet

Unit：NT$ thousands

Item / Period		Most recent 5-Year Financial Information(Note1) 2019	2020	2021	2022	2023	2024(As of March 31) (Note 3)
Current assets		248,501,869	230,953,283	269,815,506	236,493,988	281,452,473	-
Net property, plant and equipment		5,039,467	6,184,970	6,495,454	8,248,308	9,802,202	-
Intangible assets		770,210	813,574	882,987	742,042	703,368	-
Other assets		92,740,696	91,009,826	104,218,206	116,103,234	129,660,964	-
Total assets		347,052,242	328,961,653	381,412,153	361,747,659	421,779,095	-
Current Liabilities	Before Distribution	252,691,831	232,420,701	274,859,012	251,760,472	295,229,917	-
	After Distribution	258,373,055	238,679,356	281,116,875	259,161,273	(Note2)	-
Non-current liabilities		20,409,827	24,975,175	28,636,203	13,605,038	22,325,067	-
Total Liabilities	Before Distribution	273,101,658	257,395,876	303,495,215	265,365,510	317,554,984	-
	After Distribution	278,782,882	263,654,531	309,753,078	272,766,311	(Note2)	-
Common stock		28,406,121	28,406,121	29,032,521	29,016,021	28,997,661	-
Capital surplus		24,681,872	25,760,011	28,834,524	35,050,442	37,389,984	-
Retained Earnings	Before Distribution	24,398,715	26,853,167	31,098,687	36,357,506	40,680,803	-
	After Distribution	18,717,491	20,594,512	24,840,824	28,956,705	(Note2)	-
Other equity		(3,536,124)	(7,846,263)	(9,441,535)	(2,550,702)	(1,934,548)	-
Treasury stock		-	(1,607,259)	(1,607,259)	(1,491,116)	(909,789)	-
Stockholders' Equity	Before Distribution	73,950,584	71,565,777	77,916,938	96,382,149	104,224,111	-
	After Distribution	68,269,360	65,307,122	71,659,075	88,981,348	(Note2)	-

Note1: The above financial information audited by CPA.
Note2: Pending shareholders' approval.
Note3:The financial information for the first quarter of 2024 has not been reviewed by CPA.

Concise Statement of Comprehensive income

Unit：NT$ thousands

Item / Period	Most Recent 5-Year Financial Information(Note1) 2019	2020	2021	2022	2023	2024(As of March 31) (Note 2)
Operating revenue	735,742,458	687,686,152	670,440,580	686,828,694	635,223,077	-
Gross profit	20,346,611	20,821,366	19,463,851	31,664,017	32,970,335	-
Operating income	2,390,152	1,667,656	(1,771,129)	5,879,652	8,284,269	-
Non-operating income and expenses	4,133,229	6,994,556	12,534,210	5,054,429	3,720,128	-
Profit before tax	6,523,381	8,662,212	10,763,081	10,934,081	12,004,397	-
Net income for continuing operations	6,800,768	8,681,762	10,468,030	11,162,451	11,471,616	-
Income from discontinued operations, net of income tax effect	-	-	-	-	-	-
Net income	6,800,768	8,681,762	10,468,030	11,162,451	11,471,616	-
Other comprehensive income for the year, net of tax	311,148	(3,858,868)	(1,919,719)	6,860,210	667,373	-
Total comprehensive income for the year	7,111,916	4,822,894	8,548,311	18,022,661	12,138,989	-
EPS	2.40	3.10	3.76	4.01	4.08	-

Note1: The above financial information audited by CPA.
Note2: The financial information for the first quarter of 2024 has not been reviewed by CPA.

6.1.3 CPAs and Their Opinions for Most Recent 5-Year

Year	Name of CPA	Auditor's Opinion
2019	Ya-Ling, Chen, Chia-Chien, Tang	Unqualified opinion
2020	Ya-Ling, Chen, Chia-Chien, Tang	Unqualified opinion
2021	Ya-Ling, Chen, Chia-Chien, Tang	Unqualified opinion
2022	Ya-Ling, Chen, Chia-Chien, Tang	Unqualified opinion
2023	Chia-Chien, Tang, Ming-Hung Huang	Unqualified opinion

6.2 Most Recent 5-Year Financial Analysis

6.2.1 Financial Analysis-For Consolidated Report

Item	Period(Note1)	Most recent 5-Year Financial Information 2019	2020	2021	2022	2023	2024(As of March 31) (Note 3)
Financial ratio	Total liabilities to total assets (%)	75.62	80.43	81.40	72.59	71.54	-
	Long-term debts to net property, plant and equipment (%)	258.76	314.78	312.05	283.77	352.24	-
Ability to payoff debt	Current ratio (%)	116.67	115.38	115.37	119.62	125.40	-
	Quick ratio (%)	79.61	84.18	69.99	64.13	83.16	-
	Interest protection	3.66	8.17	11.23	5.13	3.78	-
Ability to operate	A/R turnover (times)	7.02	6.51	5.97	7.53	7.83	-
	A/R turnover days	51.99	56.06	61.13	48.45	46.61	-
	Inventory turnover (times)	9.55	8.85	6.32	5.75	5.77	-
	Account payable turnover (times)	6.02	6.31	5.73	6.60	7.00	-
	Days sales outstanding	38.21	41.24	57.75	63.49	63.25	-
	Fixed assets turnover (times)	21.03	21.88	21.89	21.01	17.67	-
	Total assets turnover (times)	2.57	2.19	1.86	2.12	1.96	-
Earning ability	Return on assets (%)	3.90	3.80	3.49	5.05	5.61	-
	Return on equity attributable to shareholders of the parent (%)	9.52	11.93	14.01	12.81	11.44	-
	PBT to pay-in capital(%)	44.98	59.30	66.25	85.16	83.87	-
	Net income ratio (%)	1.11	1.53	1.71	1.93	2.11	-
	EPS（NTD）	2.40	3.10	3.76	4.01	4.08	-
Cash flow	Cash flow ratio (%)	7.78	(Note 2)	(Note 2)	18.66	16.73	-
	Cash flow adequacy ratio (%)	88.37	36.45	(Note 2)	25.07	47.83	-
	Cash reinvestment ratio (%)	9.29	(Note 2)	(Note 2)	23.98	19.24	-
Leverage	Operating leverage	2.47	2.57	2.54	2.12	2.12	-
	Financial leverage	1.57	1.19	1.13	1.28	1.47	-

The reasons for all financial ratio changes within the most recent two years are as follows (exempt from analysis less than 20%):
Long-term debts to net property, plant and equipment: The increase is mainly caused by the increase of net equity and non-current liabilities.
Quick ratio: The increase is mainly caused by the increase of current assets.
Interest protection: The decrease is mainly caused by the increase of interest expense.
Cash flow adequacy ratio: The increase is mainly by the increase of most recent 5-year Cash flow from operating activities.

Note1: The above financial information audited by CPA.
Note2: The analysis of negative cash flow from operating activities is meaningless.
Note3: The financial information for the first quarter of 2024has not been reviewed by CPA.

1. Financial Ratio
   (1) Total liabilities to Total assets＝Total liabilities／Total assets
   (2) Long-term fund to property, plant and equipment＝(Net equity＋Non-current liabilities)／Net property, plant and equipment
2. Ability to Pay off Debt
   (1) Current ratio＝Current Assets／Current liability
   (2) Quick ratio＝(Current assets－Inventory－Prepaid expenses)／Current liability
   (3) Interest protection＝Net income before income tax and interest expense／Interest expense
3. Ability to Operate
   (1) Account receivable (including account receivable and notes receivable from operation) turnover＝Net sales／the Average of account receivable (including account receivable and notes receivable from operation) balance
   (2) A/R turnover day＝365／account receivable turnover
   (3) Inventory turnover＝Cost of Goods Sold／the average of inventory
   (4) Account payable (including account payable and notes payable from operation)turnover＝Cost of goods sold／the average of account payable (including account payable and notes payable from operation) balance
   (5) Inventory turnover day＝365／Inventory turnover
   (6) Fixed assets turnover＝Net sales／Net Fixed Assets
   (7) Total assets turnover＝Net sales／Total assets
4. Earning Ability
   (1) Return on assets＝〔PAT＋Interest expense × (1－effective tax rate)〕／the average of total assets
   (2) Return on Equity Attributable to Shareholders of the Parent = Net Income Attributable to Shareholders of the Parent / Average Equity Attributable to Shareholders of the Parent
   (3) Net income ratio＝PAT／Net sates
   (4) EPS ＝(Profit attributable to owners of the Company－ Dividend from prefer stock)／weighted average outstanding shares
5. Cash Flow
   (1) Cash flow ratio＝Cash flow from operating activities／Current liability
   (2) Cash flow adequacy ratio＝Most recent 5-year Cash flow from operating activities／Most recent 5-year (Capital expenditure＋the increase of inventory＋cash dividend)
   (3) Cash investment ratio＝(Cash flow from operating activities－cash dividend) ／(Gross property, plant and equipment＋long-term investment＋other non-current assets＋working capital)
6. Leverage
   (1) Operating leverage＝(Nest revenue－variable cost of goods sold and operating expense)／operating income
   (2) Financial leverage＝Operating income／(Operating income－interest expenses)

6.2.2 Financial Analysis-For Parent-company-only

Item	Period(Note1)	Most recent 5-Year Financial Information					2024(As of March 31) (Note 4)
		2019	2020	2021	2022	2023	
Financial ratio	Total liabilities to total assets (%)	78.69	78.24	79.57	73.36	75.29	-
	Long-term debts to Net property, plant and equipment (%)	1872.43	1560.90	1640.43	1333.45	1291.03	-
Ability to payoff debt	Current ratio (%)	98.34	99.37	98.17	93.94	94.77	-
	Quick ratio (%)	91.55	88.48	86.19	78.72	84.71	-
	Interest protection	3.19	7.82	12.09	3.74	2.95	-
Ability to operate	A/R turnover (times)	3.25	3.40	3.30	3.41	3.04	-
	A/R turnover days	112.42	107.32	110.60	107.16	120.16	-
	Inventory turnover (times)	49.66	32.24	22.75	18.70	18.02	-
	Account payable turnover (times)	3.48	4.01	4.55	4.50	3.80	-
	Days sales outstanding	7.35	11.32	16.05	19.52	20.25	-
	Fixed assets turnover (times)	150.35	122.53	105.74	93.17	70.38	-
	Total assets turnover (times)	2.07	2.03	1.89	1.85	1.62	-
Earning ability	Return on assets (%)	2.58	2.87	3.17	3.86	4.19	-
	Return on equity (%)	9.52	11.93	14.01	12.81	11.44	-
	PBT to pay-in capital (%)	22.96	30.49	37.07	37.68	41.40	-
	Net income ratio (%)	0.92	1.26	1.56	1.63	1.81	-
	EPS（NTD）	2.40	3.10	3.76	4.01	4.08	-
Cash flow	Cash flow ratio (%)	0.91	(Note2)	(Note2)	(Note2)	4.08	-
	Cash flow adequacy ratio (%)	167.25	(Note2)	(Note2)	(Note2)	(Note2)	-
	Cash reinvestment ratio (%)	(Note2)	(Note2)	(Note2)	(Note2)	4.57	-
Leverage	Operating leverage	7.25	10.74	(Note2)	4.71	3.59	-
	Financial leverage	(Note2)	4.20	(Note3)	3.10	3.90	-

The reasons for all financial ratio changes within the most recent two years are as follows (exempt from analysis less than 20%):
Interest protection: The decrease is mainly caused by the increase of interest expense.
Fixed assets turnover (times): The decrease is mainly caused by the decrease of net sales.
Operating leverage: The decrease is mainly caused by the increase of operating income.
Financial leverage: The increase is mainly caused by the increase of operating income.

Note1: The above financial information audited by CPA.
Note2: The negative ratio lacks significance of analysis.
Note3: The operating income is loss and hence not being calculated.
Note4: The financial information for the first quarter of 2024 has not been reviewed by CPA.

1. Financial Ratio
   (1) Total liabilities to Total assets＝Total liabilities ／ Total assets
   (2) Long-term fund to property, plant and equipment＝(Net equity＋Non-current liabilities) ／ Net property, plant and equipment
2. Ability to Pay off Debt
   (1) Current ratio＝Current Assets ／ Current liability
   (2) Quick ratio＝(Current assets－Inventory－Prepaid expenses) ／ Current liability
   (3) Interest protection＝Net income before income tax and interest expense ／ Interest expense
3. Ability to Operate
   (1) Account receivable (including account receivable and notes receivable from operation) turnover＝Net sales ／ the Average of account receivable (including account receivable and notes receivable from operation) balance
   (2) A/R turnover day＝365 ／ account receivable turnover
   (3) Inventory turnover＝Cost of Goods Sold ／ the average of inventory
   (4) Account payable (including account payable and notes payable from operation)turnover＝Cost of goods sold ／ the average of account payable (including account payable and notes payable from operation) balance
   (5) Inventory turnover day＝365 ／ Inventory turnover
   (6) Fixed assets turnover＝Net sales ／ Net Fixed Assets
   (7) Total assets turnover＝Net sales ／ Total assets
4. Earning Ability
   (1) Return on assets＝〔PAT＋Interest expense × (1－effective tax rate)〕／ the average of total assets
   (2) Return on equity＝PAT ／ the average of net equity
   (3) Net income ratio＝PAT ／ Net sates
   (4) EPS ＝(PAT－ Dividend from prefer stock) ／ weighted average outstanding shares
5. Cash Flow
   (1) Cash flow ratio＝Cash flow from operating activities ／ Current liability
   (2) Cash flow adequacy ratio＝Most recent 5-year Cash flow from operating activities ／ Most recent 5-year (Capital expenditure＋the increase of inventory＋cash dividend)
   (3) Cash investment ratio＝(Cash flow from operating activities－cash dividend) ／(Gross property, plant and equipment＋long-term investment＋other non-current assets＋working capital)
6. Leverage
   (1) Operating leverage＝(Nest revenue－variable cost of goods sold and operating expense) ／ operating income
   (2) Financial leverage＝Operating income ／ (Operating income－interest expenses)

6.3 Audit Committee's Review Report

The Board of Directors has prepared the Company's 2023 Business Report, Financial Statements, and proposal for allocation of profits. The CPA firm of KPMG was retained to audit Wistron's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee of Wistron Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, I hereby submit this report.

Wistron Corporation

Convener of the Audit Committee ：

March 12, 2024

6.4 Financial statements of the latest year

Representation Letter

The entities that are required to be included in the combined financial statements of Wistron Corporation as of and for the year ended December 31, 2023 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 endorsed by the Financial Supervisory Commission, "Consolidated Financial Statements". In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Wistron Corporation and Subsidiaries do not prepare a separate set of combined financial statements.

Wistron Corporation
Chairman: Simon Lin
Date: March 12, 2024

KPMG
安侯建業聯合會計師事務所
KPMG
台北市11049信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5, Xinyi Road, Taipei City 11049, Taiwan (R.O.C.)
Telephone 電話 + 886 (2) 8101 6666
Fax 傳真 + 886 (2) 8101 6667
Internet 網址 kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Wistron Corporation:

Opinion

We have audited the consolidated financial statements of Wistron Corporation and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition

   Refer to Note 4(q) "Revenue from contracts with customers" for accounting policy, and Note 6(y) for the relevant disclosures for revenue recognition to the financial statements.

KPMG

Description of key audit matter

The Group is a listed company influencing the public interest, and its financial performance is highly expected by the investors. Therefore, the revenue recognition has been identified as a key audit matter.

In relation to the key audit matter above, our audit procedures included:

- Testing the Group's controls surrounding the revenue recognition and cash collection for key manual and system base controls, tracing general ledgers to sales systems and reconciling the differences.
- Understanding the types of revenue, contract provisions and transaction terms to assess the accuracy of the timing of revenue recognition.
- Conducting the variance analysis on the revenue from major customers to evaluate if there are significant unusual transactions.
- Inspecting whether there are any significant sales returns and allowances after year end to assess the reasonableness of the transactions.

2.Valuation of slow-moving inventories

Please refer to Note 4(h) "Inventory" for accounting policy, Note 5 for accounting assumption and estimation uncertainty of inventory, and Note 6 (g) for the disclosure of the valuation of inventory to the financial statements.

Description of the key audit matter

Inventory stock due to sales demands, production, and repair service forecasting, may lead to product obsolescence, which might fail to meet the market demands, and a decline in orders. Consequently, the valuation of slow-moving inventories has been identified as one of our key audit matters.

In relation to the key audit matter above, our audit procedures included:

- Verifying the appropriateness of the Group's inventory valuation policy and assessing if the obsolete stocks have been included in the aforesaid evaluation.
- Reviewing the inventory aging reports, as well as analyzing the variation of inventories to ensure its accuracy.
- Examining each obsolete and damaged goods which were identified by the management.
- Evaluating the adequacy of the disclosure of inventory allowance.

Other Matter

Wistron Corporation has prepared its parent-company-only financial statements as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

KPMG

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

KPMG

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

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

The engagement partners on the audit resulting in this independent auditors' report are Tang, Chia-Chien and Huang, Ming-Hung.

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Taipei, Taiwan (Republic of China)
March 12, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the 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 accepted and applied in the Republic of China.

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 75,231,756	17	66,337,316	16
1110	Current financial assets at fair value through profit or loss (note 6(b))	4,345,292	1	8,387,194	2
1136	Current financial assets at amortized cost, net (note 6(c))	-	-	298,652	-
1170	Note and trade receivables, net (notes 6(e) and (y))	121,233,885	27	100,136,450	23
1180	Trade receivables-related parties (notes 6(e), (y) and 7)	102,871	-	93,877	-
1210	Other receivables-related parties (notes 6(f) and 7)	4,749	-	4,010	-
1220	Current tax assets	1,325,603	-	858,817	-
130X	Inventories (notes 6(g) and 8)	119,719,969	27	156,889,151	36
1460	Non-current assets or disposal groups classified as held for sale (note 6(h))	29,383,516	6	-	-
1470	Other current assets (notes 6(f), (o) and 8)	10,113,759	2	9,980,200	2
	Total current assets	361,461,400	80	342,985,667	79
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	123,899	-	167,366	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(d))	8,002,132	2	6,729,413	2
1540	Non-current financial assets at amortised cost, net (note 6(c))	10,000	-	-	-
1550	Equity-accounted investees (note 6(i))	10,713,410	2	8,358,899	2
1600	Property, plant and equipment (notes 6(l) and 7)	46,598,037	10	51,515,209	12
1755	Right-of-use assets (notes 6(m) and 7)	8,241,834	2	8,304,295	2
1780	Intangible assets (note 6(n))	2,459,680	1	2,149,731	-
1840	Deferred tax assets (note 6(u))	9,959,983	2	7,850,927	2
1900	Other non-current assets (notes 6(o), 6(t) and 8)	4,820,401	1	4,846,267	1
	Total non-current assets	90,929,376	20	89,922,107	21
	Total assets	$ 452,390,776	100	432,907,774	100

	Liabilities and Equity	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current liabilities:				
2100	Short-term loans (notes 6(p) and (ae))	$ 95,940,430	21	114,279,421	26
2120	Current financial liabilities at fair value through profit or loss (note 6(b))	187,097	-	161	-
2130	Current contract liabilities (note 6(y))	9,596,727	2	7,958,473	2
2170	Note and trade payables	118,420,882	26	108,075,166	25
2180	Trade payables-related parties (note 7)	937,484	-	727,109	-
2220	Other payables-related parties (note 7)	35,861	-	47,641	-
2260	Liabilities related to non-current assets or disposal groups classified as held for sale (note 6(h))	8,463,675	2	-	-
2280	Current lease liabilities (notes 6(r), (ae) and 7)	787,286	-	2,073,795	1
2321	Bonds payable, current portion (notes 6(q) and (ae))	2,500,000	1	-	-
2322	Current portion of long-term loans (notes 6(p) and (ae))	1,997,788	1	5,527,440	1
2365	Current refund liability (note 6(y))	12,343,135	3	8,832,142	2
2399	Other current liabilities (notes 6(p) and (aa))	37,041,392	8	39,204,068	9
	Total current liabilities	288,251,757	64	286,725,416	66
	Non-current liabilities:				
2530	Bonds payable (notes 6(q) and (ae))	6,942,918	2	9,439,683	2
2540	Long-term loans (notes 6(p) and (ae))	19,581,669	4	10,948,835	3
2570	Deferred tax liabilities (note 6(u))	2,241,835	1	1,715,546	-
2580	Non-current lease liabilities (notes 6(r), (ae) and 7)	4,851,244	1	3,062,540	1
2600	Other non-current liabilities (notes 6(p), (t) and (ae))	1,758,181	-	2,363,198	1
	Total non-current liabilities	35,375,847	8	27,529,802	7
	Total liabilities	323,627,604	72	314,255,218	73
	Equity attributable to owners of parent (notes 6(d), (i), (j), (v) and (w)):				
3110	Ordinary shares	28,997,661	6	29,016,021	7
3200	Capital surplus	37,389,984	8	35,050,440	8
3300	Retained earnings	40,680,803	9	36,357,506	8
3400	Other equity	(1,934,548)	-	(2,550,702)	(1)
3500	Treasury shares	(909,789)	-	(1,491,116)	-
	Total equity attributable to owners of parent	104,224,111	23	96,382,149	22
36XX	**Non-controlling interests (notes 6(k) and (v))**	24,539,061	5	22,270,407	5
	Total equity	128,763,172	28	118,652,556	27
	Total liabilities and equity	$ 452,390,776	100	432,907,774	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, except for earnings per share)

		2023 Amount	%	2022 Amount	%
4000	**Net revenues (notes 6(y) and 7)**	$ 867,057,007	100	984,619,156	100
5000	**Cost of sales (notes 6(g), (l), (m), (n), (r), (t), (w), (aa), 7 and 12)**	798,074,134	92	914,890,464	93
5900	**Gross profit**	68,982,873	8	69,728,692	7
	Operating expenses (notes 6(e), (f), (l), (m), (n), (r), (t), (w), (aa), 7 and 12):				
6100	Selling	10,828,131	1	11,433,187	1
6200	Administrative	6,870,232	1	5,815,369	-
6300	Research and development	23,894,253	3	25,007,992	3
	Total operating expenses	41,592,616	5	42,256,548	4
6900	**Operating income**	27,390,257	3	27,472,144	3
7000	**Non-operating income and expenses (notes 6(i), (q), (r), (s), (z) and 7):**				
7100	Interest income	2,519,837	-	1,989,775	-
7010	Other income	591,913	-	569,391	-
7020	Other gains and losses	1,811,785	-	(108,575)	-
7050	Finance costs	(8,757,247)	(1)	(5,988,155)	(1)
7060	Shares of associates and joint ventures accounted for equity method	764,149	-	776,334	-
	Total non-operating income and expenses	(3,069,563)	(1)	(2,761,230)	(1)
7900	**Profit before tax**	24,320,694	2	24,710,914	2
7950	**Less: income tax expenses (note 6(u))**	6,055,409	-	5,693,367	-
8200	**Net profit**	18,265,285	2	19,017,547	2
8300	**Other comprehensive income (notes 6(i), (t) and (u))**				
8310	**Components of other comprehensive income (loss) that will not be reclassified to profit or loss:**				
8311	Gains (losses) on remeasurements of defined benefit plans	(33,888)	-	297,547	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	457,620	-	(876,369)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(757)	-	8,156	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(111,187)	-	75,002	-
		534,162	-	(645,668)	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss:**				
8361	Exchange differences on translation of foreign financial statements	(107,225)	-	8,277,826	1
8370	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	309,523	-	124,700	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		202,298	-	8,402,526	1
	Total other comprehensive income, net of tax	736,460	-	7,756,858	1
8500	**Total comprehensive income**	$ 19,001,745	2	26,774,405	3
	Net profit attributable to (notes 6(k) and (v)):				
8610	Owners of parent	$ 11,471,616	1	11,162,451	1
8620	Non-controlling interests	6,793,669	1	7,855,096	1
		$ 18,265,285	2	19,017,547	2
	Comprehensive income attributable to (notes 6(k) and (v)):				
8710	Owners of parent	$ 12,138,989	1	18,022,661	2
8720	Non-controlling interests	6,862,756	1	8,751,744	1
		$ 19,001,745	2	26,774,405	3
	Earnings per share (in dollars) (note 6(x))				
9750	**Basic earnings per share**	$ 4.08		4.01	
9850	**Diluted earnings per share**	$ 3.98		3.84	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent													
			Retained earnings				Other equity							
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Deferred compensation arising from issuance of restricted shares	Total	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2022	$ 29,032,521	28,834,524	9,964,169	6,846,521	14,287,997	31,098,687	(8,731,426)	(59,222)	(650,887)	(9,441,535)	(1,607,259)	77,916,938	14,567,841	92,484,779
Net profit	-	-	-	-	11,162,451	11,162,451	-	-	-	-	-	11,162,451	7,855,096	19,017,547
Other comprehensive income	-	-	-	-	245,513	245,513	7,513,416	(898,719)	-	6,614,697	-	6,860,210	896,648	7,756,858
Total comprehensive income	-	-	-	-	11,407,964	11,407,964	7,513,416	(898,719)	-	6,614,697	-	18,022,661	8,751,744	26,774,405
Appropriation and distribution of retained earnings:														
Legal reserve	-	-	1,050,417	-	(1,050,417)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	1,944,127	(1,944,127)	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(6,257,863)	(6,257,863)	-	-	-	-	-	(6,257,863)	-	(6,257,863)
Changes in equity of associates and joint ventures accounted for using equity method	-	302,059	-	-	(203)	(203)	-	-	-	-	-	301,856	-	301,856
Treasury shares transferred to employees	-	(2,888)	-	-	-	-	-	-	-	-	116,143	113,255	-	113,255
Changes in ownership interests in subsidiaries	-	(70,095)	-	-	(1,040)	(1,040)	-	-	-	-	-	(71,135)	-	(71,135)
Disposal of part of the equity of the subsidiary	-	6,002,507	-	-	-	-	16,821	-	-	16,821	-	6,019,328	-	6,019,328
Share-based payment transactions	(16,500)	(43,308)	-	-	396	396	-	-	368,880	368,880	-	309,468	-	309,468
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	109,565	109,565	-	(109,565)	-	(109,565)	-	-	-	-
Others	-	27,641	-	-	-	-	-	-	-	-	-	27,641	-	27,641
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(1,049,178)	(1,049,178)
Balance at December 31, 2022	29,016,021	35,050,440	11,014,586	8,790,648	16,552,272	36,357,506	(1,201,189)	(1,067,506)	(282,007)	(2,550,702)	(1,491,116)	96,382,149	22,270,407	118,652,556
Net profit	-	-	-	-	11,471,616	11,471,616	-	-	-	-	-	11,471,616	6,793,669	18,265,285
Other comprehensive income	-	-	-	-	(24,502)	(24,502)	(269,122)	960,997	-	691,875	-	667,373	69,087	736,460
Total comprehensive income	-	-	-	-	11,447,114	11,447,114	(269,122)	960,997	-	691,875	-	12,138,989	6,862,756	19,001,745
Appropriation and distribution of retained earnings:														
Legal reserve	-	-	1,151,668	-	(1,151,668)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	(6,521,953)	6,521,953	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(7,400,801)	(7,400,801)	-	-	-	-	-	(7,400,801)	-	(7,400,801)
Changes in equity of associates and joint ventures accounted for using equity method	-	645,101	-	-	3,449	3,449	-	-	-	-	-	648,550	-	648,550
Treasury shares transferred to employees	-	(13,627)	-	-	-	-	-	-	-	-	581,327	567,700	-	567,700
Changes in ownership interests in subsidiaries	-	63,192	-	-	26,243	26,243	-	-	-	-	-	89,435	-	89,435
Disposal of part of the equity of the subsidiary	-	1,384,798	-	-	-	-	(10,704)	-	-	(10,704)	-	1,374,094	-	1,374,094
Share-based payment transactions	(18,360)	196,457	-	-	-	-	-	-	182,275	182,275	-	360,372	-	360,372
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	247,292	247,292	-	(247,292)	-	(247,292)	-	-	-	-
Others	-	63,623	-	-	-	-	-	-	-	-	-	63,623	-	63,623
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(4,594,102)	(4,594,102)
Balance at December 31, 2023	**$ 28,997,661**	**37,389,984**	**12,166,254**	**2,268,695**	**26,245,854**	**40,680,803**	**(1,481,015)**	**(353,801)**	**(99,732)**	**(1,934,548)**	**(909,789)**	**104,224,111**	**24,539,061**	**128,763,172**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION AND SUBSIDIARIES

Consolidated Statement of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows generated from operating activities:		
Profit before tax	$ 24,320,694	24,710,914
Adjustments:		
Adjustments to reconcile profit		
Depreciation expense	11,878,746	11,015,505
Amortization expense	466,414	459,606
Gain on reversal of expected credit loss	(3,828)	(74,187)
Net losses on financial assets or liabilities at fair value through profit or loss	344,831	4,130,860
Interest expenses	8,757,247	5,988,155
Interest income	(2,519,837)	(1,989,775)
Dividend income	(208,722)	(237,597)
Compensation cost arising from share-based payments	363,959	313,533
Shares of profit of associates and joint ventures accounted for using equity method	(764,149)	(776,334)
Losses (gains) on disposal of property, plant and equipment	203,539	(10,220)
Property, plant and equipment reclassified as (from) expenses	(9,512)	26,077
Other non-current assets reclassified as expenses	99,810	29,605
Losses (gains) on disposal of investments	(58,021)	989
Impairment loss on assets	171,395	4,660
Other investment losses (gains)	(76,893)	175,098
Lease modification gains	(83,247)	(56,622)
Government grant income	(19,494)	-
Amortization of bank arrangement fees	15,287	12,612
Total adjustments to reconcile profit	18,557,525	19,011,965
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in note and trade receivables	(21,116,785)	68,813,782
Decrease (increase) in trade receivables-related parties	(9,453)	60,114
Decrease (increase) in other receivables-related parties	(721)	10,535
Decrease in inventories	20,882,356	17,308,258
Decrease (increase) in other current assets	(1,963,698)	5,647,927
Total changes in operating assets	(2,208,301)	91,840,616
Changes in operating liabilities:		
Increase in current contract liabilities	1,637,923	2,300,584
Increase (decrease) in note and trade payables	12,646,507	(70,673,862)
Increase (decrease) in trade payables-related parties	213,003	(371,748)
Decrease in other payables-related parties	(11,836)	(32,235)
Increase (decrease) in current refund liability	3,503,518	(2,151,957)
Increase (decrease) in other current liabilities	6,490,045	(2,539,209)
Decrease in other non-current liabilities	(54,862)	(177,425)
Total changes in operating liabilities	24,424,298	(73,645,852)
Net changes in operating assets and liabilities	22,215,997	18,194,764
Total adjustments	40,773,522	37,206,729
Cash generated from operations	65,094,216	61,917,643
Interest received	2,778,266	2,699,872
Dividends received	843,098	631,209
Interest paid	(9,484,861)	(6,166,717)
Income taxes paid	(11,011,697)	(5,641,991)
Net cash generated from operating activities	48,219,022	53,440,016

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION AND SUBSIDIARIES

Consolidated Statement of Cash Flows (continued)

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows used in investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(1,807,574)	(1,234,298)
Proceeds from disposal of financial assets at fair value through other comprehensive income	1,188,614	231,169
Return of financial assets at fair value through other comprehensive income	14,571	41,902
Acquisition of financial assets at amortized cost	(10,000)	-
Proceeds from disposal of financial assets at amortized cost	298,652	1,105,394
Acquisition of financial assets at fair value through profit or loss	(22,793,936)	(5,370,426)
Proceeds from disposal of financial assets at fair value through profit or loss	26,609,106	5,578,262
Acquisition of equity-accounted investees	(1,295,195)	(395,080)
Proceeds from disposal of equity-accounted investees	30,582	-
Net cash flow from acquisition of subsidiaries	(211,171)	-
Proceeds from capital reduction of investments accounted for using equity method	35,462	-
Acquisition of property, plant and equipment	(12,961,260)	(13,609,393)
Proceeds from disposal of property, plant and equipment	1,189,926	635,313
Proceeds from disposal of right-of-use assets	-	205,514
Increase in refundable deposits	(514,622)	(891,292)
Acquisition of intangible assets	(802,853)	(843,320)
Net cash inflows from business combination	286	-
Decrease in other financial assets	93	245,237
Increase in other non-current assets	(3,635,341)	(2,438,167)
Net cash flows used in investing activities	(14,664,660)	(16,739,185)
Cash flows used in financing activities:		
Increase in short-term loans	719,961,883	824,176,953
Repayments of short-term loans	(737,795,980)	(861,547,581)
Increase in long-term loans	34,808,464	18,179,231
Repayments of long-term loans	(29,663,621)	(28,355,477)
Increase in guarantee deposits received	398,187	1,218,915
Repayments of lease liabilities	(910,888)	(814,303)
Cash dividends paid	(7,400,801)	(6,257,467)
Treasury shares transferred to employees	567,700	113,255
Disposal of ownership interests in subsidiaries (without losing control)	1,624,923	7,390,742
Change in non-controlling interests	(4,858,138)	(2,498,175)
Others	63,623	27,641
Net cash flows used in financing activities	(23,204,648)	(48,366,266)
Effect of exchange rate changes on cash and cash equivalents	(646,119)	7,848,510
Net increase (decrease) in cash and cash equivalents	9,703,595	(3,816,925)
Cash and cash equivalents at beginning of year	66,337,316	70,154,241
Cash and cash equivalents at ending of year	$ 76,040,911	66,337,316
Components of cash and cash equivalents:		
Cash and cash equivalents reported in the statement of financial position	$ 75,231,756	66,337,316
Non-current assets or disposal groups classified as held for sale	809,155	-
Cash and cash equivalents at ending of year	$ 76,040,911	66,337,316

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars Except for Earnings Per Share Information and Unless Otherwise Specified)

(1) Company history

Wistron Corporation (the "Company") was incorporated on May 30, 2001, as a company limited by shares under the laws of the Republic of China (ROC). In pursuant to a restructuring plan of Acer Inc. (AI) to improve its business performance and competitiveness, the Company was formed to acquire the net assets spun off from AI's DMS (Design, Manufacturing, and Service products) business.

The Company and its subsidiaries (hereinafter, jointly referred to as the "Group"), are currently engaged in the research, development, design, manufacturing, testing and sales of the following products and semi-finished products, and their peripheral equipment, parts and components:

(i) desktop computers, notebook computers, motherboards, servers, system platforms, high-speed and multi-function multiple-CPU computer systems, multi-media computers, network computers, consumer-type computers and special computers, micro-processors, CD-ROMs, PDAs, panel PCs, pocket computers and interface cards;

(ii) video and internet telephones, video conferencing equipment and telecommunication equipment;

(iii) digital satellite TV receivers, set-top boxes, digital video decoders and multi-media appliance products;

(iv) digital cameras, CD-ROM drives and DVD-ROM drives;

(v) wireless receiver products (mobile phones, wireless LAN cards, and Bluetooth communication modules);

(vi) LCD TVs and other electronic audio & visual products;

(vii) design and merchandising of computer software and programs;

(viii) import and export trade relevant to the business of this company;

(ix) maintenance and cleaning of electronics products;

(x) recycling of electronic waste;

(xi) in vitro diagnostic device, therapeutic equipment, intelligent assistive device, diagnostic x-ray unit, physiological signal diagnostic device and medical data system;

(xii) manufacturing, processing and selling of electronic products for automobile.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(2) Approval date and procedures of the consolidated financial statements:

The consolidated financial statements for the years ended December 31, 2023 and 2022 were authorized for issuance by the Board of Directors on March 12, 2024.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2023:

- Amendments to IAS 1 “Disclosure of Accounting Policies”
- Amendments to IAS 8 “Definition of Accounting Estimates”
- Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

The Group has initially adopted the following new amendment, which do not have a significant impact on its consolidated financial statements, from May 23, 2023:

- Amendments to IAS 12 “International Tax Reform – Pillar Two Model Rules”

(b) The impact of IFRS issued by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its consolidated financial statements:

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

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Group does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its 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 “ Insurance Contracts”
- Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”
- Amendments to IAS21 “Lack of Exchangeability”

(Continued)

6 Financial Standing

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(4) Summary of material accounting policies

The material accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies have been applied consistently to all periods presented in these consolidated financial statements.

(a) Statement of compliance

The consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language consolidated financial statements, the Chinese version shall prevail.

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C..

(b) Basis of consolidation

(i) Principle of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) List of subsidiaries in the consolidated financial statements

1) Subsidiaries which are engaged in research, design, testing, manufacturing and sales of computers, servers, multi-media appliance products, automobile parts, telecommunication products, network systems, and medical devices:

Investor	Name of subsidiary	Shareholding December 31, 2023	Shareholding December 31, 2022	Notes
the Company	International Standards Laboratory Corp. (“ISL”, Taiwan)	100.00	100.00	
the Company	Wistron Mexico, S.A. de C.V. (“WMX”, Mexico)	100.00	100.00	
the Company	Wistron Technology (Malaysia) Sdn. Bhd. (“WMMY”, Malaysia)	100.00	100.00	
the Company	Wistron Mobile Solutions Corporation (“WCH”, U.S.A.)	-	100.00	(Note 1)
the Company	Wistron InfoComm (Czech), s.r.o. (“WCCZ”, Czech Republic)	100.00	100.00	
the Company	Wistron Technology Service (America) Corporation (“WTS”, U.S.A.)	100.00	100.00	
the Company	Wistron InfoComm (Vietnam) Co., Ltd (“WVN”, Vietnam)	100.00	100.00	
the Company/WLB/WCL	Wiwynn Corporation (“WYHQ”, Taiwan)	42.82	43.44	(Note 2)
WAKS	XTRONICS (Kunshan) Electronics Technology Co., Ltd (“XTRKS”, China)	100.00	100.00	
Cowin/AIIH	Wistron InfoComm (Zhongshan) Corporation (“WZS”, China)	100.00	100.00	
Win Smart	Wistron InfoComm (Kunshan) Co., Ltd. (“WAKS”, China)	100.00	100.00	
Win Smart	Wistron InfoComm (Taizhou) Co., Ltd. (“WTZ”, China)	100.00	100.00	
Win Smart	Wistron InfoComm (CHONGQING) Co., Ltd. (“WCQ”, China)	100.00	100.00	
Win Smart	Wistron InfoComm Technology Service (Kunshan) Co., Ltd. (“WRKS”, China)	100.00	100.00	
WSC	Wistron InfoComm (Chengdu) Co., Ltd. (“WCD”, China)	100.00	100.00	
AIIH	Wistron Optronics (Kunshan) Co., Ltd. (“WOOK”, China)	100.00	100.00	
WVS	Wistron InfoComm Technology (Zhongshan) Co., Ltd. (“WTZS”, China)	100.00	100.00	
WCL	Abilliant Corporation (“WAC”, Taiwan)	100.00	100.00	
WYHQ	Wiwynn Technology Service Japan, Inc. (“WYJP”, Japan)	100.00	100.00	
WYHQ	Wiwynn International Corporation (“WYUS”, U.S.A.)	100.00	100.00	
WYHQ	Wiwynn Korea Ltd. (“WYKR”, South Korea)	100.00	100.00	
WYHQ	Wiwynn Mexico, S.A. de C.V. (“WYMX”, Mexico)	100.00	100.00	
WYHQ	WIWYNN TECHNOLOGY SERVICE MALAYSIA SDN. BHD. (“WYMY”, Malaysia)	100.00	100.00	
WYHQ	Wiwynn Technology Service Mexico SA De CV (“WYSMX”, Mexico)	100.00	100.00	
WYHK	Wiwynn Technology Service Kunshan, Ltd. (“WYKS”, China)	100.00	100.00	
WMH/WLB/WCL	Wistron Medical Technology Corporation (“WMT”, Taiwan)	92.65	92.14	(Note 3)
WMT	B-Temia Asia Pte Ltd. (“BTA”, Singapore)	100.00	100.00	
WMT	Wistron Medical Tech (Chongqing) Co., Ltd. (“WMCQ”, China)	100.00	100.00	
WSSG/WHK	Wistron InfoComm Manufacturing (India) Private Limited (“WMMI”, India)	100.00	100.00	
BTA	Wistron Medical Technology Japan K.K. (“WMJP”, Japan)	100.00	100.00	(Note 4)
the Company/WLB/WCL	WiBASE Industrial Solutions (“WIS”, Taiwan)	99.86	52.87	(Note 5)
WSC	Wistron InfoComm Computer (Chengdu) Co., Ltd (“WCCD”, China)	100.00	100.00	
BTA	Wistron Medical Technology Malaysia Sdn. Bhd. (“WMKL”, Malaysia)	60.00	60.00	(Note 6)
WCL	Kaohsiung Opto-Electronics Inc. (“KOE”, Taiwan)	100.00	100.00	
KOE	Opto-Electronics (Kunshan) Co., Ltd. (“KOEKS”, China)	-	100.00	(Note 7)
WMMY/WSSG	Wistron Automotive Electronics (India) Private Limited (“WAEI”, India)	100.00	100.00	
WGEH	AiSails Power Inc. (“AIS”, Taiwan)	86.67	86.67	

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Subsidiaries which are engaged in sale and maintenance of computer products and related parts and components, data storage equipment, and digital monitoring systems:

Investor	Name of subsidiary	Shareholding December 31, 2023	Shareholding December 31, 2022	Notes
the Company	SMS InfoComm Corporation (“WTX”, U.S.A.)	100.00	100.00	
the Company	Anwith Technology Corporation (“WCHQ”, Taiwan)	100.00	100.00	
the Company	SMS InfoComm (Singapore) Pte. Ltd. (“WSSG”, Singapore)	100.00	100.00	
the Company	Service Management Solutions Mexico SA de C.V. (“WSMX”, Mexico)	100.00	100.00	
the Company	Wistron InfoComm (Philippines) Corporation (“WSPH”, Philippines)	100.00	100.00	
the Company	SMS InfoComm Global Service (CQ) (“WSCQ”, China)	100.00	100.00	
the Company/AIIH	SMS InfoComm Technology Services and Management Solutions Ltd. (“WBR”, Brazil)	100.00	100.00	
the Company/WCL	SMS InfoComm Technology Services Limited Company (“WTR”, Turkey)	100.00	100.00	
WLLC	Wistron InfoComm Technology (America) Corporation (“WITX”, U.S.A.)	100.00	100.00	
WLLC	Wistron InfoComm Technology (Texas) Corporation (“WITT”, U.S.A.)	100.00	100.00	
Win Smart	Wistron Service (Kunshan) Corp. (“WSKS”, China)	100.00	100.00	
Win Smart	Wistron Hong Kong Limited (“WHK”, Hong Kong)	100.00	100.00	
Win Smart	SMS (Kunshan) Co., Ltd. (“WMKS”, China)	100.00	100.00	
AIIH	Wistron Optronics (Shanghai) Co., Ltd. (“WOSH”, China)	100.00	100.00	
AIIH	Wistron K.K. (“WJP”, Japan)	100.00	100.00	
WSSG/WHK	ICT Service Management Solutions (India) Private Limited (“WIN”, India)	100.00	100.00	
the Company	SMS InfoComm (Czech) s.r.o. (“WSCZ”, Czech Republic)	100.00	100.00	
WAKS	Wistron Green Recycling Technology (Kunshan) Co., Ltd. (“WTKS”, China)	100.00	-	(Note 8)

3) Subsidiary which is engaged in software research, development, design, trading and consultation:

Investor	Name of subsidiary	Shareholding December 31, 2023	Shareholding December 31, 2022	Notes
AIIH	Wistron InfoComm (Shanghai) Corporation (“WSH”, China)	100.00	100.00	

4) Subsidiaries engaged in recycling of electronic products:

Investor	Name of subsidiary	Shareholding December 31, 2023	Shareholding December 31, 2022	Notes
the Company	Wistron GreenTech (Texas) Corporation (“WGTX”, U.S.A.)	100.00	100.00	
WCHK	Wistron Advanced Materials (Kunshan) Co., Ltd. (“WGKS”, China)	100.00	-	(Note 9)
WGHK	Wistron Advanced Materials (Kunshan) Co., Ltd. (“WGKS”, China)	-	100.00	(Note 9)

5) Subsidiaries which engaged in internet platform development, providing and selling application services and consultation:

Investor	Name of subsidiary	Shareholding December 31, 2023	Shareholding December 31, 2022	Notes
the Company	WiEdu Hong Kong Limited (“WEHK”, Hong Kong)	100.00	100.00	
WLB/WDH	WIEDU CORPORATION (“WETW”, Taiwan)	72.27	89.37	(Note 10)
WDH	Wistron AiEDGE Corporation (“WAUS”, U.S.A.)	-	100.00	(Note 1)
WIN	Smartiply India Private Limited (“STI”, India)	99.99	-	(Note 11)
WMMI	Smartiply India Private Limited (“STI”, India)	-	99.99	(Note 11)
the Company/ WDH/WCL/WLB	WiAdvance Technology Corporation (“AGI”, Taiwan)	75.38	78.63	(Note 12)

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

6) Investment and holding companies:

Investor	Name of subsidiary	Shareholding December 31, 2023	Shareholding December 31, 2022	Notes
the Company	Cowin Worldwide Corporation (“Cowin”, British Virgin Islands)	100.00	100.00	
the Company	Wise Cap Limited Company (“WCL”, Taiwan)	100.00	100.00	
the Company	Win Smart Co., Ltd. (“Win Smart”, British Virgin Islands)	100.00	100.00	
the Company	Wistron LLC (“WLLC”, U.S.A.)	100.00	100.00	
the Company	WisVision Corporation (“WVS”, British Virgin Islands)	100.00	100.00	
the Company	Wistron Advanced Materials (Hong Kong) Limited (“WGHK”, Hong Kong)	-	100.00	(Note 13)
the Company	WiseCap (Hong Kong) Limited (“WCHK”, Hong Kong)	100.00	100.00	
WCL	LE BEN Investment Ltd (“WLB”, Taiwan)	100.00	100.00	
Win Smart	Wistron Hong Kong Holding Limited (“WHHK”, Hong Kong)	100.00	100.00	
WHHK	Wistron Investment (Sichuan) Co., Ltd. (“WSC”, China)	100.00	100.00	
WYHQ	Wiwynn Technology Service Hong Kong Limited (“WYHK”, Hong Kong)	100.00	100.00	
the Company	Wistron Medical Tech Holding Company (“WMH”, Taiwan)	100.00	100.00	
the Company	Wistron Digital Technology Holding Company (“WDH”, Taiwan)	100.00	100.00	
the Company	AII Holding Corporation (“AIIH”, British Virgin Islands)	100.00	100.00	
the Company	Wistron Green Energy Holding Company (“WGEH”, Taiwan)	100.00	100.00	
The Company/WMMY	Heracles Enterprises Limited (“HCL”, British Virgin Islands)	100.00	30.00	(Note 14)
HCL	Formosa Prosonic Technology Sdn. Bhd. (“FPTC”, Malaysia)	100.00	-	(Note 14)

7) Lease companies:

Investor	Name of subsidiary	Shareholding December 31, 2023	Shareholding December 31, 2022	Notes
the Company	Wistron InfoComm Mexico S.A. de C.V. (“WIMX”, Mexico)	100.00	100.00	
the Company	WiSuccess Asset Management Corporation (“WCA”, Taiwan)	100.00	100.00	

(Note 1): The liquidation process is completed in the 4th quarter of 2023.

(Note 2): The Group disposed of 0.62% of WYHQ's equity ownership from 2023, which had no impact on the control over the subsidiary.

(Note 3): WLB, a subsidiary of the Group, repurchased the shares from its employees in the 1st quarter and the 4th quarter of 2023, resulting in an increase in the percentage of shares held by the Group in WMT to 92.65%.

(Note 4): WMJP originally named “Keeogo Japan K.K.” was renamed to “Wistron Medical Technology Japan K.K.”.

(Note 5): The employees of WIS exercised the employee stock options in the 1st quarter of 2023, with the Company repurchasing WIS’s shares from DARWIN PRECISIONS CORPORATION and IBASE TECHNOLOGY INC. in the 2nd quarter of 2023. Also, WLB and WCL, both subsidiaries of the Group, repurchased the shares from WIS’s employees between the 2nd quarter and the 4th quarter of 2023, resulting in an increase in the percentage of shares held by the Group in WIS to 99.86%.

(Note 6): WMKL originally named “KEEOGO MALAYSIA SDN. BHD.” was renamed to “Wistron Medical Technology Malaysia Sdn. Bhd.”.

(Note 7): Due to organizational structure and business planning adjustments of the Group, KOEKS had been liquidated in the 2nd quarter of 2023.

(Note 8): The capital was injected in 1st quarter of 2023.

(Note 9): WGHK transferred 100% shareholding of WGKS to WCHK in the 2nd quarter of 2023.

(Note 10): WLB, a subsidiary of the Group, repurchased WETW’s shares from its employees in the 1st quarter and 3rd quarter of 2023. However, WETW increased its capital by issuing new shares in the 3rd quarter of 2023 to attract external strategic investors, resulting in a decrease in its shareholding percentage to 72.27%.

(Note 11): WMMI transferred 99.99% shareholding of STI to WIN in the 1st quarter of 2023.

(Note 12): WLB, a subsidiary of the Group, repurchased AGI’s shares from its employees in the 2nd quarter of 2023. However, the employees of AGI exercised their employee stock options from the 2nd quarter to the 4th quarter of 2023, which resulted in a decrease in the percentage of shares held by the Group in AGI to 75.38%.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(Note 13): The subsidiary remitted the earnings in the 4th quarter of 2023. The liquidation process was still in progress.

(Note 14): WMMY, a subsidiary of the Group, acquires 70% shares of HCL, with the amount of $211,711, resulting in HCL and its subsidiary, FPTC, to become subsidiaries of the Group.

(iii) Subsidiaries excluded from consolidated: None.

(c) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

1) Financial instruments at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at present value;

3) The defined benefit liabilities are measured at fair value of the plan assets less the present value of the defined benefit obligation.

(ii) Functional and presentation currency

The functional currency of the Group is determined based on the primary economic environment in which the entity operates. The Group’s consolidated financial statements are presented in New Taiwan Dollar, which is the Company’s functional currency. All financial information presented in New Taiwan Dollar has been rounded to the nearest thousand.

(d) Foreign currency

(i) Foreign currency transaction

Transactions in foreign currencies are translated into the functional currency of the Group at exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

- an investment in equity securities designated as at fair value through other comprehensive income;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedges are effective.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the New Taiwan Dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the New Taiwan Dollars at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period;

(iv) The asset is cash or a cash equivalent, but excluding the asset restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non current.

An entity shall classify a liability as current when:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period;

(iv) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(f) Cash and cash equivalents

Cash comprises cash on hand and demand and check deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(g) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

1) Classification of financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income – equity investment; or fair value through profit or loss. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

b) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Some trade receivables are held within a business model whose objective is achieved by both collecting contractual cash flows and selling by the Group, therefore, those receivables are measured at FVOCI. However, they are included in the "trade receivables" line item.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

c) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL, including derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, note and trade receivables, other receivables and guarantee deposits), trade receivables measured at FVOCI.

The Group measures loss allowance at an amount equal to lifetime ECL. The Group considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed; both qualitative and quantitative information and also basing on the Group' s historical experiences and informed credit assessment as well as forward-looking information. For the financial assets, when the credit risk on the financial instrument has not increased significantly since initial recognition, a loss allowance is recognized at an amount equal to expected credit loss resulting from possible default events of a financial instrument within 12 months after the reporting date. If, on the other hand, there has been a significant increase in credit risk since initial recognition, a loss allowance is recognized at an amount equal to expected credit loss resulting from all possible default events over the expected life of a financial instrument.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group' s procedures for recovery of amounts due.

3) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Group are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred, or liabilities assumed) is recognized in profit or loss.

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iii) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate exposures. Derivatives are recognized initially at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

(h) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the standard cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realizable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses at the end of the period.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The standard cost method is adopted for inventory costing and the difference between standard cost and actual cost is allocated proportionately to inventory except for an unfavorable variance from normal capacity.

(i) Investment in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus, when an associate’s equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual significant influence.

Gains and losses resulting from transactions between the Group and an associate are recognized only to the extent of unrelated Group’s interests in the associate.

When the Group’s share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method and measures the retained interest at fair value from the date when its investment ceases to be an associate. The difference between the fair value of retained interest and proceeds from disposing, and the carrying amount of the investment at the date the equity method was discontinued is recognized in profit or loss. The Group accounts for all the amounts previously recognized in other comprehensive income in relation to that investment on the same basis as would have been required if the associates had directly disposed of the related assets or liabilities. If a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss when the equity method is discontinued. If the Group’s ownership interest in an associate is reduced while it continues to apply the equity method, the Group reclassifies the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest to profit or loss.

If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method without remeasuring the retained interest.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

When the Group subscribes to additional shares in an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment will differ from the amount of the Group's proportionate interest in the net assets of the associate. The Group records such a difference as an adjustment to investments, with the corresponding amount charged or credited to capital surplus. The aforesaid adjustment should first be adjusted under capital surplus. If the capital surplus resulting from changes in ownership interest is not sufficient, the remaining difference is debited to retained earnings. If the Group's ownership interest is reduced due to the additional subscription to the shares of the associate by other investors, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate will be reclassified to profit or loss on the same basis as would be required if the associate had directly disposed of the related assets or liabilities.

(j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributed to the acquisition of the asset.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately, unless the useful life and the depreciation method of the significant part of an item of property, plant and equipment are the same as the useful life and depreciation method of another significant part of that same item.

The gain or loss arising from the derecognition of an item of property, plant and equipment shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, and it shall be recognized as other gains and losses.

(ii) Subsequent cost

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

The depreciable amount of an asset is determined after deducting its residual amount and it shall be allocated on a systematic basis over its useful life. The items of property, plant and equipment with the same useful life may be grouped in determining the depreciation charge. The remainder of the items may be depreciated separately. The depreciation charge for each period shall be recognized in profit or loss.

Land has an unlimited useful life and therefore is not depreciated.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

1) Buildings and improvements: 20 to 50 years
2) Machinery and equipment: 3 to 10 years
3) Molding equipment: 1 year
4) Research and development equipment: 3 to 5 years
5) Furniture, fixtures and other equipment: 3 to 10 years

The Group reviews depreciation methods, useful lives, and residual values at each reporting date. If expectations differ from the previous estimates, the change is accounted for as a change in an accounting estimate.

(k) Lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a leasee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

1) fixed payments, including in-substance fixed payments;
2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) amounts expected to be payable under a residual value guarantee; and

4) payments or penalties for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

1) there is a change in future lease payments arising from the change in an index or rate; or

2) there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or

3) there is a change in the Group's evaluation of purchase options; or

4) there is a change of its assessment on whether it will exercise a purchase, extension or termination option; or

5) there is any lease modifications to the assets, scope and other terms of the lease.

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the balance sheets.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases with less than 12 month and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a leasor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(l) Intangible assets

(i) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Other intangible assets, including customer relationships, patents and software, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as occurred.

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

1) Patents: 10 years

2) Software: 1 to 10 years

3) Customer relationships: 5 to 14 years

4) Professional technology: 20 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjust if appropriate.

(m) Concession (Intangible assets on account)

The Group signed a "Build-Operate-Transfer" (BOT) agreement with Taipei City Government to obtain the operating rights of Taipei Digi-Creative Center. The government owns the buildings and facilities which the Group invested in the construction, that is as a consideration provided in the service concession arrangement. The above-mentioned agreement is accounted for under the intangible assets of IFRIC 12 "Service Concession Arrangements". The construction costs are amortized on a straight-line basis from the beginning of the BOT agreement to the agreement expiry date.

(n) Impairment of non-derivative financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(o) Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

(p) Treasury stock

Repurchased shares are recognized under treasury shares (a contra-equity account) based on its repurchase price (including all directly accountable costs), and net of tax. Gains on disposal of treasury shares should be recognized under Capital Reserve – Treasury Shares Transactions; losses on disposal of treasury shares should be offset against existing capital reserves arising from similar types of treasury shares. If there are insufficient capital reserves to be offset against, then such losses should be accounted for under retained earnings. The carrying amount of treasury shares should be calculated using the weighted average different types of repurchase.

During the cancellation of treasury shares, Capital Reserve – Share Premiums and Share Capital should be debited proportionately. Gains on cancellation of treasury shares should be recognized under existing capital reserves arising from similar types of treasury shares; losses on cancellation of treasury shares should be offset against existing capital reserves arising from similar types of treasury shares. If there are insufficient capital reserves to be offset against, then such losses should be accounted for under retained earnings.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(q) Revenue from contracts with customers

Revenue is measured basing on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below:

(i) Sale of goods

The Group manufactures and sells electronic products to international brand customers. The Group recognizes revenue when control of the products has been transferred, when the products are delivered to the customer, the related risk and rewards of ownership are transferred, and there is no continuing management involvement with the goods. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The Group often offers volume discounts to its customers based on aggregate sales. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate the discounts using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

The Group provides customers with the extended warranty. This kind of contract contains two performance obligations and, therefore, the transaction price is allocated to each performance obligation on a relative stand-alone selling price basis. Management estimates the stand-alone selling prices at contract inception based on the observable prices at which the Group would sell the product and the extended warranty separately in similar circumstances and to similar customers. The Group recognizes revenue for the service-type warranty on a straight-line basis over the extended warranty period.

A receivable is recognized when the goods are delivered as this is the point in time that the Group has a right to an amount of consideration that is unconditional.

(ii) Service revenue

The Group provide maintenance service. The Group will recognize the revenue when the performance obligation completed.

(iii) Financing components

The Group does not expect to have almost contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(r) Government grants

The Group recognizes an unconditional government grant in profit or loss as other income when the grant becomes receivable. Other government grants related to assets are initially recognized as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognized in profit or loss as other income on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the expenses or losses are recognized.

The Group evaluates the fair value of its borrowings (from financial institutions with government assistance in the form of a guarantee) based on the market interest rates, and recognizes the difference between the fair value and the interests paid as non-operating income.

(s) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

The grant date of share-based payment is the date that the subscription price and shares are authorized by the board of directors.

(t) Non-current assets or disposal groups held for sale

Non-current assets or disposal groups comprising assets and liabilities that are highly probable to be recovered primarily through sale rather than through continuing use, are reclassified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, generally, the assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to assets not within the scope of IAS 36 – Impairment of Assets. Such assets will continue to be measured in accordance with the Group's accounting policies. Impairment losses on assets initially classified as held for sale and any subsequent gains or losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of the cumulative impairment loss that has been recognized.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

(u) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Income Taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes shall be recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(w) Business combination

The Company accounts for business combinations using the acquisition method. The goodwill arising from an acquisition is measured as the excess of (i) the consideration transferred (which is generally measured at fair value) and (ii) the amount of non-controlling interest in the acquiree, both over the identifiable net assets acquired at the acquisition date. If the amount calculated above is a deficit balance, the Company recognized that amount as a gain on a bargain purchase in profit or loss immediately after reassessing whether it has correctly identified all of the assets acquired and all of the liabilities assumed.

All acquisition-related transaction costs are expensed as incurred, except for the issuance of debt or equity instruments.

For each business combination, the Group measures any noncontrolling interests in the acquiree either at fair value or at the noncontrolling interest’ s proportionate share of the acquiree’ s identifiable net assets, if the noncontrolling interests are present ownership interests and entitle their holders to a proportionate share of the acquire’ s net assets in the event of liquidation. Other components of noncontrolling interests are measured at their acquisition-date fair values, unless another measurement basis is required by the IFRSs endorsed by the FSC.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value, and recognizes the resulting gain or loss, if any, in profit or loss. In prior reporting periods, the Group may have recognized changes in the value of its equity interest in the acquiree in other comprehensive income. If so, the amount that was recognized in other comprehensive income will be recognized on the same basis as would be required if the Group had disposed directly of the previously held equity interest. If the disposal of the equity interest required a reclassification to profit or loss, such an amount will be reclassified to profit or loss.

(x) Earnings per share

The Group discloses the Company basic and diluted earnings per share attributable to ordinary equity holders of the Company. The calculation of basic earnings per share is based on the profit attributable to the ordinary shareholder of the Company divided by weighted average number of ordinary shares outstanding. The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of the Company, divided by weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, such as accrued employees’ remuneration and ungranted restricted shares to employees.

(y) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may incur revenues and incur expenses including revenues and expenses relating to transactions with other components of the Group. Operating results of the operating segment are regularly reviewed by the Group’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. Each operating segment consists of standalone financial information.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

In preparing these consolidated financial statements, the management has made judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the next period.

There are no critical judgments in applying accounting policies that have significant effect on the amounts recognized in the parent company only financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year and have been updated to reflect the impact of economic uncertainties are as follows:

- Inventory valuation

  As inventories are stated at the lower of cost or net realizable value, the Group estimates the net realizable value of inventories for obsolescence and unmarketable items at the end of the reporting period and then writes down the cost of inventories to net realizable value. The valuation of the inventory is mainly determined basing on the demand of products in the future. Due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories. Refer to Note 6(g) for further description of the valuation of inventories.

(6) Explanation of significant accounts

(a) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand	$ 12,673	256,203
Demand and check deposits	56,556,160	43,870,712
Time deposits	18,662,923	22,210,401
Cash and cash equivalents in consolidated statement of cash flows	**$ 75,231,756**	**66,337,316**

(Continued)

6 Financial Standing

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Financial assets and liabilities at fair value through profit or loss

(i) Current financial assets at fair value through profit or loss:

	December 31, 2023	December 31, 2022
Mandatorily measured at fair value through profit or loss:		
Derivative instruments not used for hedging		
Foreign currency forward contracts	$ 2,570	147,596
Foreign currency swap contracts	-	4,688
Non-derivative financial assets		
Money market fund	3,828,965	-
Listed companies	383,837	8,234,910
Structured deposits	129,920	-
Total	**$ 4,345,292**	**8,387,194**

WAKS, WZS, WCD and WCQ, the subsidiaries of the Group, disposed their entire equity ownership in Luxshare Precision Industry Co., Ltd. based on a resolution approved during the board meeting held on July 25, 2023. Please refer to Note 13(a)(iv) for related information.

(ii) Current financial liabilities at fair value through profit or loss:

	December 31, 2023	December 31, 2022
Measured at fair value through profit or loss:		
Derivative instruments not used for hedging		
Foreign currency forward contracts	**$ 187,097**	**161**

The Group used derivative financial instruments to hedge the certain foreign exchange risk the Group was exposed to, arising from its operating, financing and investing activities. As of December 31, 2023 and 2022, derivative financial instruments not qualified for hedge accounting were as follows:

1) Foreign currency forward contracts:

December 31, 2023

Amount (in thousands)	Currency	Expiration
USD **322,000**	TWD Put / USD Call	2024/1/4~2024/2/1

December 31, 2022

Amount (in thousands)	Currency	Expiration
USD **704,000**	TWD Put / USD Call	2023/1/3~2023/3/6

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Foreign currency swap contracts:

December 31, 2022		
Amount (in thousands)	Currency	Expiration
USD 75,000	TWD Put / USD Call	2023/1/6~2023/1/11

(iii) Non-current financial assets at fair value through profit or loss:

	December 31, 2023	December 31, 2022
Mandatorily measured at fair value through profit or loss:		
Non-derivative financial assets		
Convertible bonds	$ 103,599	80,402
Simple Agreement for Future Equity (SAFE)	20,300	86,964
	$ 123,899	167,366

Please refer to Note 6(z) for the measurement of fair value recognized in profit or loss.

(c) Financial asset at amortized cost

(i) Current financial asset at amortized cost

	December 31, 2023	December 31, 2022
Restricted deposits	$ -	298,652

According to " Regulations Governing the Management, Utilization, and Taxation of Repatriated Offshore Funds" , the Group had submitted an investment proposal and was approved by National Taxation Bureau, Ministry of Finance. Based on the regulation, the deposits are restricted only to the approved investment plan, and shall not be used for other purposes.

(ii) Non-current financial asset at amortized cost

	December 31, 2023	December 31, 2022
Bonds	$ 10,000	-

The Company has assessed that these financial assets are held-to-maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

In October 2024, the Company acquired a 10-year unsecured subordinated corporate bond issued by Shin Kong Life Insurance, with an amount and an effective rate of $10,000 and 4%, respectively.

The aforementioned financial asset was not pledged as collateral.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
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(d) Non-current financial asset at fair value through other comprehensive income

	December 31, 2023	December 31, 2022
Equity investments at fair value through other comprehensive income:		
Listed companies	$ 4,056,226	2,979,466
Unlisted companies	1,127,292	1,179,928
Unlisted fund	2,818,614	2,570,019
Total	$ 8,002,132	6,729,413

(i) Equity investment at fair value through other comprehensive income

The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represented those investments that the Group intended to hold for long-term for strategic purposes.

The Group sold portion of its shares in Jafco AT Fund VI L.P., Kibou Fund L.P., U.S. Bionics Inc., AOpen Inc, Alpha Networks Inc., and Gamania Digital Entertainment Co., Ltd. with a fair value of $1,188,614 during 2023, as well as disposed portion of its shares in Marvell Technology, Inc., Jafco AT Fund VI L.P., AOpen Inc. and U.S. Bionics Inc. with a fair value of $134,857 during 2022, resulting in the Group to recognized the net gain of $247,292 and $109,565, respectively, which were accounted for as under other comprehensive income; then later on, were reclassified to retained earnings.

(ii) For the disclosure of market risk, please refer to Note 6(ab).

(iii) The aforementioned financial assets were not pledged.

(e) Note and trade receivables

	December 31, 2023	December 31, 2022
Note receivables from operating activities	$ 46,093	3,783
Trade receivables-measured at amortized cost	86,870,852	84,828,187
Trade receivables-measured at FVOCI	34,420,237	15,517,347
Trade receivables-related parties-measured at amortized cost	102,871	93,877
Less: loss allowance	(103,297)	(212,867)
	$ 121,336,756	100,230,327

The Group had managed a portion of its trade receivables that was held within a business model whose objective was achieved by both collecting contractual cash flows and selling financial assets; therefore, such trade receivables were measured at fair value through other comprehensive income.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
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The Group applied the simplified approach to provide for expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, note and trade receivables had been grouped basing on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The loss allowance was determined as follows:

	December 31, 2023		
	Gross carrying amount of note and trade receivables	**Weighted-average expected credit loss rate**	**Expected credit loss**
Current	$ 120,386,140	0.001%~0.004%	2,285
1 to 60 days past due	629,906	2.79%~4.32%	19,098
61 to 180 days past due	354,268	4.21%~14.64%	19,746
181 to 300 days past due	12,901	5.30%~39.20%	1,954
More than 301 days past due	56,838	44.48%~100.00%	53,213
Total	$ **121,440,053**		**96,296**

	December 31, 2022		
	Gross carrying amount of note and trade receivables	**Weighted-average expected credit loss rate**	**Expected credit loss**
Current	$ 98,872,082	0.001%~0.019%	9,832
1 to 60 days past due	1,324,366	2.92%~6.05%	46,457
61 to 180 days past due	89,584	5.50%~20.27%	7,410
181 to 300 days past due	10,906	18.74%~66.12%	2,680
More than 301 days past due	146,256	41.60%~100.00%	145,847
Total	$ **100,443,194**		**212,226**

The movements in the loss allowance for note and trade receivables were as follows:

	For the years ended December 31	
	2023	**2022**
Balance on January 1	$ 212,867	635,021
Impairment losses reversed	(1,671)	(74,187)
Amounts written off	(107,838)	(349,144)
Effect of changes in foreign exchange rates	(61)	1,177
Balance on December 31	$ **103,297**	**212,867**

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The Group entered into separate factoring agreements with different financial institutions to sell its trade receivables. Under the agreements, the Group did not have the responsibility to assume the default risk of the transferred trade receivables but was liable for the losses incurred on any business dispute. The Group derecognized the above trade receivables because it had transferred substantially all of the risks and rewards of their ownership and it did not have any continuing involvement in them.

As of December 31, 2023 and 2022, the relevant information on trade receivables factored but unsettled was as follows:

Unit: USD in thousands

December 31, 2023			Amount advanced			
Purchaser	**Amount derecognized**	**Factoring credit limit**	**Paid**	**Unpaid**	**Interest rate collar**	**Collateral**
Financial institutions	$ **2,324,991**	**4,068,557 (Note)**	**2,324,991**	**1,743,566**	1.81%~6.36%	None

December 31, 2022			Amount advanced			
Purchaser	**Amount derecognized**	**Factoring credit limit**	**Paid**	**Unpaid**	**Interest rate collar**	**Collateral**
Financial institutions	$ **3,355,214**	**4,329,528 (Note)**	**3,355,214**	**974,314**	4.87%~6.10%	None

(Note): For vendor financing transactions, the factoring credit limit was the credit line that the financial institution provided to the Group’s customer.

As of December 31, 2023 and 2022, the note and trade receivables were not pledged.

(f) Other receivables

	December 31, 2023	**December 31, 2022**
Other current assets-other receivables	$ 5,248,952	4,490,320
Other receivables-related parties	4,749	4,010
Less: loss allowance	(15,060)	(18,254)
	$ **5,238,641**	**4,476,076**

As of December 31, 2023 and 2022, there were no significant changes in credit quality and risk of the other receivables, and the overdue amounts were impaired.

The movements in the loss allowance for other receivables were as follows:

	For the years ended December 31	
	2023	**2022**
Balance on January 1	$ 18,254	413,717
Impairment losses reversed	(2,157)	-
Amounts written off	(1,037)	(395,463)
Balance on December 31	$ **15,060**	**18,254**

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Inventories

	December 31, 2023	December 31, 2022
Raw materials	$ 53,386,202	75,989,639
Work in progress	7,576,126	4,228,205
Finished goods	43,117,801	56,631,829
Inventory in transit	15,639,840	20,039,478
	$ 119,719,969	**156,889,151**

For the years ended December 31, 2023 and 2022, the details of cost of sales were as follows:

	For the years ended December 31	
	2023	**2022**
Cost of goods sold	$ 792,141,774	910,674,096
Loss on valuation of inventories	5,853,600	4,410,526
Loss on inventory physical count	8,215	11,999
Income from sale of scraps	(139,716)	(206,157)
Unallocated manufacturing overhead	210,261	-
	$ 798,074,134	**914,890,464**

As of December 31, 2023 and 2022, the inventories were pledged, please refer to Note 8.

(h) Non-current assets or disposal groups and liabilities related to non-current assets or disposal groups classified as held for sale

(i) In September 2023, the Company's Board of Directors resolved to dispose a portion of property, plant and equipment of Wistron Technology (Malaysia) Sdn. Bhd. (WMMY), a subsidiary of the Group, at the factory located in the Malaysia Free Trade Area, wherein the relevant sales procedures have already been initiated. The above assets were classified as non-current assets held-for-sale as follows:

	December 31, 2023
Non-current assets held for sale:	
Land	$ 671,644
Building and improvements	344,017
Other equipment	9,483
	$ 1,025,144

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) In October 2023, the Company's Board of Directors resolved to dispose the entire shareholdings of Wistron InfoComm Manufacturing (India) Private Limited (WMMI), a subsidiary of the Group, to Tata Electronics Private Ltd., (TEPL). The above assets and liabilities were classified as non-current assets held-for-sale and liabilities related to non-current assets or disposal groups classified as held-for-sale as follows:

	December 31, 2023
Non-current assets or disposal group held for sale:	
Cash and cash equivalents	$ 809,155
Trade receivables	17,143
Inventories	16,363,738
Other current assets	1,981,591
Property, plant and equipment	8,568,549
Right-of-use assets	252,827
Intangible assets	16,189
Other non-current assets	349,180
	$ 28,358,372

	December 31, 2023
Liabilities related to non-current assets or disposal group classified as held for sale:	
Short-term loans	$ 55,455
Trade payables	2,245,667
Trade payables-related parties, net	18,237,321
Other current liabilities	6,077,842
Other non-current liabilities	84,711
Gross amount	26,700,996
Less: Offset against trade and other payables to related parties	(18,237,321)
Net amount	**$ 8,463,675**

As of December 31, 2023, the liabilities related to non-current or disposal group assets classified as held-for-sale of WMMI amounted to $8,463,675, which had been offset against its trade payables to related parties of $18,237,321. Of which, the amount will be paid by the purchaser after the transaction.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(i) Equity-accounted investees

The components of investments accounted for using the equity method were as follows:

	December 31, 2023	December 31, 2022
Associates	$ 10,713,410	8,358,899

(i) The fair value of investments in associates of the Group for which there were public price quotations were as follows:

	December 31, 2023		December 31, 2022	
	Book value	Fair value	Book value	Fair value
WNC	$ 6,363,419	15,026,202	4,610,468	7,047,356
WITS	982,757	2,384,415	718,232	1,397,327
Formosa Prosonic Industries Berhad (FPI)	799,101	1,329,713	769,488	1,558,810
T-Conn Precision Corporation (TPE)	115,797	354,679	178,523	456,251
	$ 8,261,074	19,095,009	6,276,711	10,459,744

(ii) The Group’s financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	December 31, 2023	December 31, 2022
Carrying amount of individually insignificant associates’ equity	$ 10,713,410	8,358,899

	For the years ended December 31	
	2023	2022
Attributable to the Group:		
Net profit	$ 764,149	776,334
Other comprehensive income	308,766	132,856
Comprehensive income	$ 1,072,915	909,190

(iii) Collateral

As of December 31, 2023 and 2022, the investments in aforementioned equity-accounted investees were not pledged.

(iv) Judgement of whether the Group has substantive control over its investees

Although the Group was the first major shareholder of some of its associates, the Group failed to obtain more than half of the total number of their directors. It also failed to reach any contractual agreement with the other investors to align and exercise other voting rights. Therefore, the Group only has significant influence, but not control, over its associates.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(j) Disposal of part of equity ownership of subsidiaries without losing control

In 2023 and 2022, the Group disposed 0.62% and 4.64% of its shares in WYHQ, which its fair value were $1,624,923 and $7,390,742, respectively, resulting in its shareholding in WYHQ to decrease from 43.44% to 42.82% and 48.08% to 43.44%, respectively. Since the above transactions did not have any impact on the Group’s control over its subsidiary, the equity change was regarded as an equity transaction.

The following summarizes the effect of changes in equity of the parent due to changes in the ownership interest of subsidiaries:

	December 31, 2023	December 31, 2022
Consideration transferred from the non-controlling interests	$ 1,624,923	7,390,742
Book value of the non-controlling interests	(250,829)	(1,371,414)
Other equity adjustments	10,704	(16,821)
Capital surplus-difference between consideration and carrying amount of subsidiaries acquired or disposed	$ 1,384,798	6,002,507

(k) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiary was as follows:

		Percentage of non-controlling interests	
Subsidiary	Main operation location	December 31, 2023	December 31, 2022
WYHQ	Taiwan	57.18 %	56.56 %

The following information of the aforementioned subsidiary was not adjusted with the Group’s percentage of controlling interests:

	December 31, 2023	December 31, 2022
Total assets	$ 88,845,397	88,837,782
Total liabilities	$ 46,611,345	50,050,776

	For the years ended December 31	
	2023	2022
Revenue	$ 241,900,989	292,876,040
Profit	$ 12,043,655	14,174,709

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(l) Property, plant and equipment

	Land	Building and improvements	Machinery and equipment	Molding equipment	Research and development equipment	Office equipment	Other equipment	Total
Cost or deemed cost:								
Balance at January 1, 2023	$ 4,893,946	31,310,760	38,486,066	12,859,237	2,870,393	3,247,981	16,485,671	110,154,054
Additions	509,833	257,436	3,884,775	660,950	249,392	252,490	7,146,384	12,961,260
Reclassification (Note)	-	1,262,872	1,241,932	1,245,542	7,460	41,728	(833,936)	2,965,598
Reclassified from expenses	-	-	23	-	-	-	9,489	9,512
Disposals	-	(201,901)	(5,728,524)	(2,636,242)	(95,745)	(189,412)	(1,164,655)	(10,016,479)
Effect of changes in foreign exchange rates	(602)	772,418	96,592	(10,309)	(209)	214	(159,651)	698,453
Reclassified to non-current assets held for sale	(671,644)	(2,681,095)	(6,420,741)	-	-	(378,616)	(2,088,808)	(12,240,904)
Balance at December 31, 2023	**$ 4,731,533**	**30,720,490**	**31,560,123**	**12,119,178**	**3,031,291**	**2,974,385**	**19,394,494**	**104,531,494**
Balance at January 1, 2022	$ 4,127,452	27,980,025	33,344,959	12,382,473	2,600,670	2,674,258	11,985,463	95,095,300
Additions	159,233	169,232	4,546,801	849,331	281,518	424,991	7,178,287	13,609,393
Reclassification (Note)	498,876	2,963,902	1,163,619	1,076,304	23,901	131,127	(3,256,822)	2,600,907
Reclassified from expenses (as expenses)	-	(20,567)	(2,794)	-	-	880	(3,596)	(26,077)
Disposals	-	(2,393,837)	(3,571,261)	(2,184,848)	(41,339)	(156,887)	(633,592)	(8,981,764)
Effect of changes in foreign exchange rates	108,385	2,612,005	3,004,742	735,977	5,643	173,612	1,215,931	7,856,295
Balance at December 31, 2022	**$ 4,893,946**	**31,310,760**	**38,486,066**	**12,859,237**	**2,870,393**	**3,247,981**	**16,485,671**	**110,154,054**
Accumulated depreciation and impairment loss:								
Balance at January 1, 2023	$ -	13,981,682	20,933,297	11,808,158	2,261,785	2,252,669	7,401,254	58,638,845
Depreciation	-	1,492,437	4,696,045	2,022,635	266,840	408,862	1,687,039	10,573,858
Impairment loss	-	57,817	-	-	-	-	-	57,817
Disposals	-	(190,482)	(4,469,367)	(2,630,101)	(93,804)	(163,504)	(1,075,756)	(8,623,014)
Effect of changes in foreign exchange rates	-	(23,097)	5,591	(14,049)	(112)	(2,445)	(32,726)	(66,838)
Reclassified to non-current assets held for sale	-	(353,706)	(1,821,847)	-	-	(264,334)	(207,324)	(2,647,211)
Balance at December 31, 2023	**$ -**	**14,964,651**	**19,343,719**	**11,186,643**	**2,434,709**	**2,231,248**	**7,772,487**	**57,933,457**
Balance at January 1, 2022	$ -	13,596,847	17,934,000	11,342,875	2,073,519	1,937,712	6,000,791	52,885,744
Depreciation	-	1,549,820	4,411,910	2,018,132	224,169	335,356	1,426,792	9,966,179
Disposals	-	(2,384,315)	(3,009,553)	(2,184,848)	(41,337)	(143,278)	(593,340)	(8,356,671)
Effect of changes in foreign exchange rates	-	1,219,330	1,596,940	631,999	5,434	122,879	567,011	4,143,593
Balance at December 31, 2022	**$ -**	**13,981,682**	**20,933,297**	**11,808,158**	**2,261,785**	**2,252,669**	**7,401,254**	**58,638,845**
Carrying value:								
Balance at December 31, 2023	**$ 4,731,533**	**15,755,839**	**12,216,404**	**932,535**	**596,582**	**743,137**	**11,622,007**	**46,598,037**
Balance at January 1, 2022	**$ 4,127,452**	**14,383,178**	**15,410,959**	**1,039,598**	**527,151**	**736,546**	**5,984,672**	**42,209,556**
Balance at December 31, 2022	**$ 4,893,946**	**17,329,078**	**17,552,769**	**1,051,079**	**608,608**	**995,312**	**9,084,417**	**51,515,209**

(Note): Reclassifications are mainly transferring from other non-current assets-advances payments for equipment and transferring from others-construction in process to building and improvements.

As of December 31, 2023 and 2022, the property, plant and equipment were not pledged.

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(m) Right-of-use assets

The Group leased many assets including land, building and improvements, office equipment and other equipment. Information about leases for which the Group as a lessee was as below:

	Land	Building and improvements	Office equipment	Other equipment	Total
Cost:					
Balance at January 1, 2023	$ 5,054,247	7,688,199	65,847	115,869	12,924,162
Effect of changes in consolidated entities	268,498	-	-	-	268,498
Addition	12,967	1,471,812	28,458	53,302	1,566,539
Decrease	(228,233)	(713,777)	(27,487)	(34,219)	(1,003,716)
Revaluation	(6,950)	(2,684)	(113)	-	(9,747)
Effect of changes in foreign exchange rates	1,461	140,552	(29)	(307)	141,677
Reclassified to non-current assets held for sale	(265,808)	-	-	-	(265,808)
Balance at December 31, 2023	**$ 4,836,182**	**8,584,102**	**66,676**	**134,645**	**13,621,605**
Balance at January 1, 2022	$ 4,664,832	5,686,157	46,794	110,524	10,508,307
Addition	171,968	1,820,502	18,696	20,075	2,031,241
Decrease	(146,897)	(383,532)	-	(16,173)	(546,602)
Revaluation	237	(1,490)	149	517	(587)
Effect of changes in foreign exchange rates	364,107	566,562	208	926	931,803
Balance at December 31, 2022	**$ 5,054,247**	**7,688,199**	**65,847**	**115,869**	**12,924,162**
Accumulated depreciation:					
Balance at January 1, 2023	$ 774,677	3,738,488	33,733	72,969	4,619,867
Effect of changes in consolidated entities	25,271	-	-	-	25,271
Depreciation	112,101	1,143,226	17,227	32,334	1,304,888
Impairment loss	59,918	-	-	-	59,918
Decrease	(12,735)	(582,402)	(27,487)	(33,291)	(655,915)
Effect of changes in foreign exchange rates	2,739	36,052	(6)	(62)	38,723
Reclassified to non-current assets held for sale	(12,981)	-	-	-	(12,981)
Balance at December 31, 2023	**$ 948,990**	**4,335,364**	**23,467**	**71,950**	**5,379,771**
Balance at January 1, 2022	$ 610,161	2,966,904	19,753	53,283	3,650,101
Depreciation	109,189	892,014	13,814	34,309	1,049,326
Decrease	(4,374)	(372,526)	-	(15,194)	(392,094)
Effect of changes in foreign exchange rates	59,701	252,096	166	571	312,534
Balance at December 31, 2022	**$ 774,677**	**3,738,488**	**33,733**	**72,969**	**4,619,867**
Carrying value:					
Balance at December 31, 2023	**$ 3,887,192**	**4,248,738**	**43,209**	**62,695**	**8,241,834**
Balance at January 1, 2022	**$ 4,054,671**	**2,719,253**	**27,041**	**57,241**	**6,858,206**
Balance at December 31, 2022	**$ 4,279,570**	**3,949,711**	**32,114**	**42,900**	**8,304,295**

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(n) Intangible assets

		Patent	Goodwill	Software	Professional technology	Customer relationships	Operating concession	Total
Costs:								
Balance at January 1, 2023	$	174,947	807,191	1,440,768	137,519	138,751	625,707	3,324,883
Additions		-	41,722	400,514	935	-	401,404	844,575
Decrease		(31,177)	-	(159,935)	(66,815)	-	-	(257,927)
Reclassification		-	-	1,217	-	-	-	1,217
Effect of changes in foreign exchange rates		469	-	6,312	1,060	-	-	7,841
Reclassified to non-current assets held for sale		-	-	(24,778)	-	-	-	(24,778)
Balance at December 31, 2023	$	**144,239**	**848,913**	**1,664,098**	**72,699**	**138,751**	**1,027,111**	**3,895,811**
Balance at January 1, 2022	$	171,129	807,191	890,564	123,343	138,751	289,416	2,420,394
Additions		800	-	505,519	710	-	336,291	843,320
Decrease		-	-	(9,739)	-	-	-	(9,739)
Reclassification		-	-	33,374	-	-	-	33,374
Effect of changes in foreign exchange rates		3,018	-	21,050	13,466	-	-	37,534
Balance at December 31, 2022	$	**174,947**	**807,191**	**1,440,768**	**137,519**	**138,751**	**625,707**	**3,324,883**
Accumulated amortization:								
Balance at January 1, 2023	$	142,198	-	941,433	80,784	10,737	-	1,175,152
Amortization		11,394	-	442,802	2,307	9,911	-	466,414
Impairment loss		-	-	-	53,660	-	-	53,660
Decrease		(31,177)	-	(159,935)	(66,815)	-	-	(257,927)
Effect of changes in foreign exchange rates		469	-	4,907	2,045	-	-	7,421
Reclassified to non-current assets held for sale		-	-	(8,589)	-	-	-	(8,589)
Balance at December 31, 2023	$	**122,884**	**-**	**1,220,618**	**71,981**	**20,648**	**-**	**1,436,131**
Balance at January 1, 2022	$	121,509	-	498,915	68,971	826	-	690,221
Amortization		17,671	-	427,853	4,171	9,911	-	459,606
Decrease		-	-	(9,739)	-	-	-	(9,739)
Reclassification		-	-	11,662	-	-	-	11,662
Effect of changes in foreign exchange rates		3,018	-	12,742	7,642	-	-	23,402
Balance at December 31, 2022	$	**142,198**	**-**	**941,433**	**80,784**	**10,737**	**-**	**1,175,152**
Carrying value:								
Balance at December 31, 2023	$	**21,355**	**848,913**	**443,480**	**718**	**118,103**	**1,027,111**	**2,459,680**
Balance at January 1, 2022	$	**49,620**	**807,191**	**391,649**	**54,372**	**137,925**	**289,416**	**1,730,173**
Balance at December 31, 2022	$	**32,749**	**807,191**	**499,335**	**56,735**	**128,014**	**625,707**	**2,149,731**

(i) The Group signed a “Build-Operate-Transfer of Taipei Digi-Creative Center” agreement with Taipei City Government to obtain the operating right. As of December 31, 2023, the Group had paid development concession premium amounting to $1,027,111.

(ii) Impairment testing for goodwill

1) For impairment testing purposes, goodwill had been allocated to the cash generating units (CGU) brought forth from the developing and manufacturing service of the Group.

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The carrying amounts of goodwill were as follows:

		December 31, 2023	December 31, 2022
Developing and manufacturing services cash-generating units	$	561,485	561,485
Other segment cash-generating units		287,428	245,706
	$	**848,913**	**807,191**

The goodwill generated from the Group’s acquisition of the Lite-On Technology Corp.’s Digital Display Business Unit in 2008 was allocated to the CGU brought forth from the developing and manufacturing service of the Group, wherein the profitability of which is expected to bring benefits to the Group. As for the Group’s acquisition of KOE in 2021, the goodwill, which was attributable mainly to the expected growth of sales revenue and the skills and technical talent of its work force, was allocated to the other segment of the CGU.

2) International Accounting Standard No. 36 requires that goodwill acquired in a business combination be tested for impairment at least annually. The impairment test for goodwill consists of allocating goodwill to the cash generating units that are expected to benefit from the combined effects of the business combination. The recoverable amounts of both the aforementioned cash generating units are determined based on their value in use. The value in use is determined by discounting the future cash flows expected to be generated from the continuing use of the unit.

The key assumptions used in the estimation of the value in use(including goodwill) are set out below.

	December 31, 2023	December 31, 2022
Pre-tax discount rate	5.21 %	3.73 %

The discount rate was a pre-tax measure based on the rate of the 10-year government bonds issued by the Taiwan government in the same currency as the cash flows, adjusted for a risk premium to reflect both the increase in risk on investing generally in equities and the systemic risk of the specific CGU.

Cash flows in the following five years were included in the discounted cash flow model, which was based on the financial forecast for the following year approved by the management.

Budgeted EBITDA over the financial forecast period was based on expectations of future outcome, taking into account the past experience, adjusted for the anticipated revenue growth. Revenue growth is projected by taking into account the historical growth levels experienced over the past few years.

(iii) Collateral

As of December 31, 2023 and 2022, the intangible assets were not pledged.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(o) Other current assets and non-current assets

(i) Other current assets:

	December 31, 2023	December 31, 2022
Other receivables, net	$ 5,233,892	4,472,066
Tax refundable	1,575,368	2,588,861
Prepaid royalties	184,453	204,729
Other prepayments	1,834,790	2,027,548
Other financial assets (Note)	1,087,373	378,334
Others	197,883	308,662
	$ 10,113,759	9,980,200

(ii) Other non-current assets:

	December 31, 2023	December 31, 2022
Advance payments for equipment	$ 1,837,196	1,342,677
Refundable deposits	2,192,567	1,873,333
Others	790,638	1,630,257
	$ 4,820,401	4,846,267

(Note): Other financial assets were time deposits which did not qualify as cash equivalents.

(p) Bank loans

(i) Short-term loans

	December 31, 2023	December 31, 2022
Unsecured bank loans	$ 95,940,430	114,279,421
Unused credit line	$ 230,821,683	201,254,855
Interest rate collar	0.34%~8.35%	0.36%~16.79%

(ii) Long-term loans

	December 31, 2023	December 31, 2022
Unsecured bank loans	$ 21,579,457	16,476,275
Less: current portion	(1,997,788)	(5,527,440)
	$ 19,581,669	10,948,835
Unused credit line	$ 35,182,730	25,951,718
Interest rate collar	1.20%~6.86%	1.10%~6.01%

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
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(iii) Breach of covenant

1) On December 31, 2020, the Company entered into a 3-year loan agreement with Mega Bank (the lead bank) and 8 other participating banks and which was extended on December 12, 2023, with significant terms as follows:

Total credit line: The original credit line was USD360,000,000, and then extended to USD327,500,000

Maturity date: The date 3 years after the first drawdown date, which should be within 6 months from the date the agreement was signed.

Availability period: Since the facility is revolving, each availability period should be more than 2 months and less than 6 months.

2) On March 31, 2023, the Company entered into a 3-year loan agreement with Taipei Fubon Commercial Bank (the lead bank) and 14 other participating banks, with significant terms as follows:

Total credit line: USD500,000,000

Maturity date: The date 3 years after the first drawdown date, which should be within 6 months from the date the agreement was signed.

Availability period: Since the facility is revolving, each availability period should be more than 2 months and less than 6 months.

According to the loan agreement, during the loan repayment periods, the Company must comply with certain financial covenants, such as current ratio, debt ratio, interest coverage ratio and tangible net assets, based on its audited annual consolidated financial statements and reviewed semi-annual consolidated financial statements. If a breach of contract occurs, the Company's credit line will immediately be restricted and will no longer be available for use without the approval of the majority of banks involved.

The Company was in compliance with the above financial covenants during the financial reporting periods.

(iv) Government low-interest loan

In 2022, to expand its operation through constructing factories and for business purpose, the Group obtains the government low interest loans from Mega Bank, Bank of Taiwan, Chang Hwa Commercial Bank, Hua Nan Commercial Bank, and Taipei Fubon Commercial Bank, in accordance with the "Loans for Returning Overseas Taiwanese Businesses", with significant terms as follows:

Total credit line: As of December 31, 2023 and 2022, the amounts were $8,642,622 and $8,643,200, respectively, without revolving.

Maturity dates: From January, 2029 to January, 2032.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
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As of December 31, 2023 and 2022, the used credit line of $1,859,429 and $1,331,730, respectively, was based on the market interest rates. The differences between the market interest rates and the actual amounts paid were recognized as the deferred income under current and non-current liabilities in accordance with the government grants.

In 2022, to expand its operation through constructing factories and for business purpose, KOE, a subsidiary of the Group, obtained the government low interest loans from First Bank, Bank of Taiwan, Chang Hwa Commercial Bank, Taiwan Cooperative Bank, Cathay United Bank, Hua Nan Commercial Bank and Far Eastern International Bank, under " Accelerated Investment by Domestic Corporations", with significant terms as follows:

Total credit line: As of December 31, 2023 and 2022, the amounts was $7,060,000, without revolving.

Maturity date : From December, 2027 to December, 2029.

As of December 31, 2023 and 2022, the used credit line of $464,549 and $226,909, respectively, was measured based on the market interest rates. The differences between the market interest rates and the actual amounts paid were recognized as deferred income under current liabilities and non-current liabilities in accordance with the government grants.

(v) The interest expenses for short-term and long-term loans for the years ended December 31, 2023 and 2022 were disclosed in Note 6(z).

(q) Bonds payable

Wiwynn, a subsidiary of the Group, issued 4,450 unsecured 5-years ordinary corporate bonds, and paid interest annually at a fixed interest rate of 0.63% in Taiwan on August 6, 2021. It is agreed that half of the principal will be repaid in the fourth and fifth years. Wiwynn also issued 5,000 unsecured 5-years ordinary corporate bonds, and paid interest annually at a fixed interest rate of 0.83% in Taiwan on October 20, 2020. It is agreed that half of the principal will be repaid in the fourth and fifth years.

The details of unsecured convertible bonds were as follows:

	December 31, 2023	December 31, 2022
Total ordinary corporate bonds issued	$ 9,450,000	9,450,000
Unamortized discounted corporate bonds payable	(7,082)	(10,317)
Subtotal	9,442,918	9,439,683
Less: current portion	(2,500,000)	-
Corporate bonds issued balance at reporting date	$ 6,942,918	9,439,683

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	For the years ended December 31 2023	2022
Interest expense	$ 72,770	72,770

(r) Lease liabilities

	December 31, 2023	December 31, 2022
Current	$ 787,286	2,073,795
Non-current	$ 4,851,244	3,062,540

For the disclosure of maturity analysis, please refer to Note 6(ab).

The amounts recognized in profit or loss were as follows:

	For the years ended December 31 2023	2022
Interests on lease liabilities	$ 132,855	89,944
Variable lease payments not included in the measurement of lease liabilities	$ 194,085	357,755
Expenses relating to short-term leases	$ 278,596	378,527
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	$ 16,732	13,712

The amounts recognized in the statement of cash flows for the Group were as follows:

	For the years ended December 31 2023	2022
Total cash outflow for leases	$ 1,533,156	1,654,241

(i) Leases of land, buildings and improvement

As of December 31, 2023 the Group leased land, building and improvements for its office spaces, factories, warehouses and staff dormitories. The leases of land ran for a period of 3 to 40 years, and of buildings typically for 1 to 10 years. Furthermore, the Group leased office equipment and transportation equipment with lease terms typically of 1 to 5 years, and of other equipment typically for a period of 3 to 5 years. Some leases contained extension options. When the lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period will not be included within lease liabilities.

As of December 31, 2023, there was not the occurrence of either a significant event or a significant change in circumstances and the reassessment of the lease required.

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WISTRON CORPORATION AND SUBSIDIARIES
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(ii) Other leases

In some cases, the Group also leased buildings, office equipment and transportation equipment with contract terms less than one year. These leases were short-term or leases of low-value items. The Group had elected not to recognize right-of-use assets and lease liabilities for these leases.

(s) Operating leases

The Group leased a number of offices, staff dormitories, factories and facilities under operating leases. The Group had classified these leases as operating leases, because it did not transfer substantially all of the risks and rewards incidental to the ownership of the assets. For the years ended December 31, 2023 and 2022, rental income recognized in profit or loss, were $383,191 and $331,794, respectively.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date, is as follows:

	December 31, 2023	December 31, 2022
Less than one year	$ 331,711	207,218
Between one to five years	1,334	-
	$ 333,045	**207,218**

(t) Employee benefits

(i) Defined benefit plans

The movements in the present value of the defined benefit obligations and net defined benefit liabilities (assets) were as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	$ 203,157	-
Fair value of plan assets	(221,939)	-
Net defined benefit assets (accounted for under “Other non-current assets”)	**$ (18,782)**	**-**

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	$ 2,050,518	2,334,923
Fair value of plan assets	(1,525,821)	(1,714,792)
Net defined benefit liabilities (accounted for under “Other non-current liabilities”)	**$ 524,697**	**620,131**

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
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The domestic entities of the Group made defined benefit plans contributions to the pension fund account to Bank of Taiwan and Taipei Fubon commercial bank that provided pension for employees upon retirement. Plans (covered by the Labor Standards Law) entitled a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

The foreign entities of the Group, WSPH and WJP, adopted defined benefit plans.

1) Composition of plan assets

The domestic entities of the Group allocated pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds were managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The foreign entities of the Group made defined benefit plans contributions to the pension fund in accordance with the local regulations.

The Group’ s labor pension reserve account balance amounted to $1,747,760 and $1,714,792 as of December 31, 2023 and 2022, respectively. The utilization of the labor pension fund assets of the domestic entities of the Group included the asset allocation and yield of the fund. Please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) The movements in the present value of the defined benefit obligations

The movements in the present value of the defined benefit obligations were as follows:

	2023	2022
Balance at January 1	$ 2,334,923	2,637,539
Current service cost and interests	54,903	35,426
Benefit paid by the plan	(135,030)	(85,135)
Benefit paid by the Group	(49,305)	(50,796)
Net remeasurements of defined benefit liabilities (assets)		
—Actuarial losses (gains) arising from changes in financial assumptions	16,373	(256,901)
—Experience adjustments	24,377	69,198
—Gains arising from changes in demographic assumptions	-	(12,200)
Effect of employee transfer	8,922	-
Effect of change in foreign exchange rates	(1,488)	(2,208)
Balance at December 31	**$ 2,253,675**	**2,334,923**

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) The movements in the fair value of defined benefit plan assets

The movements in the fair value of the defined benefit plan assets for the Group were as follows:

	2023	2022
Fair value of plan assets at January 1	$ 1,714,792	1,515,116
Contribution paid by the Group	135,699	171,950
Benefit paid by the plan	(135,030)	(85,135)
Expected return on plan assets	29,107	8,860
Net remeasurements of defined benefit liabilities (assets)		
－Return on plan assets	3,192	104,001
Fair value of plan assets at December 31	$ 1,747,760	1,714,792

4) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the years ended December 31, 2023 and 2022, were as follow:

	2023	2022
Current service cost	$ 14,145	18,622
Net interest on the net defined benefit liabilities	40,758	16,804
Net remeasurements of defined benefit liabilities (assets)		
－Return on plan assets	3,192	104,001
Actual return on plan assets	(32,299)	(112,861)
Exchange differences	-	(615)
	$ 25,796	25,951

	2023	2022
Cost of sales	$ 13,732	18,356
Selling expenses	3,139	3,049
Administrative expenses	2,396	2,759
Research and development expenses	6,529	1,787
	$ 25,796	25,951

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WISTRON CORPORATION AND SUBSIDIARIES
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5) The remeasurements of the net defined benefit liabilities (assets) recognized in other comprehensive income

As of December 31, 2023 and 2022, the Group’s remeasurements of the net defined benefit liabilities (assets) recognized in other comprehensive income were as follows:

	2023	2022
Balance as of January 1	$ 701,218	998,765
Recognized during the year	33,888	(297,547)
Balance as of December 31	$ 735,106	701,218

6) Actuarial assumptions

The Group’s principal actuarial assumptions at the reporting dates were as follows:

	December 31, 2023	December 31, 2022
Discount rate	1.63%~6.2%	1.75%~7.4%
Future salary increases	2.34%~4.0%	1.57%~4.0%

The expected allocation payment to be made by the Group to the defined benefit plans for the one-year period after December 31, 2023 was $66,430.

The weighted average lifetime of the defined benefits plans was 9~18 years.

7) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Effects to the defined benefit obligation	
	Increase 0.25%	Decrease 0.25%
December 31, 2023		
Discount rate	$ (50,369)	52,202
Future salary increases	50,185	(48,688)
December 31, 2022		
Discount rate	(56,219)	58,266
Future salary increases	56,080	(54,419)

There was no change in other assumptions when performing the aforementioned sensitivity analysis. In practice, assumptions might be interactive with each other. The method used on sensitivity analysis was consistent with the calculation on the net pension liabilities.

The method and assumptions used on current sensitivity analysis was the same as those of the prior year.

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(ii) Defined contribution plans

The domestic entities of the Group set aside 6% of the contribution rate of the employee's monthly wages to the Labor Pension personal account of the Bureau of the Labor Insurance in accordance with the provisions of the Labor Pension Act. The domestic Group entities set aside a fixed amount to the Bureau of the Labor Insurance without the payment of additional legal or constructive obligations.

The foreign entities of the Group were in accordance with local regulations.

The Group set aside \$1,263,860 and \$1,091,545 of the pension costs to the Bureau of Labor Insurance for the years ended December 31, 2023 and 2022, respectively.

(u) Income Taxes

(i) Income tax expense

1) The components of income tax expense for the years ended December 31, 2023 and 2022, were as follows:

	2023	2022
Current tax expense		
Current period	$ 7,003,839	8,737,400
Prior period adjustments	523,150	38,151
	7,526,989	8,775,551
Deferred tax expense		
Origination and reversal of temporary difference	(1,471,580)	(3,082,184)
Income tax expense	$ 6,055,409	5,693,367

2) The amounts of income tax expense (benefit) recognized in other comprehensive income for the years ended December 31, 2023 and 2022, were as follows:

	2023	2022
Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of the net defined benefit plans	$ (7,057)	59,850
Unrealized gains (losses) on equity instruments as fair value through other comprehensive income	(104,130)	15,152
	$ (111,187)	75,002

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3) The reconciliation of income tax expense and profit before tax for the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Profit before tax	$ 24,320,694	24,710,914
Estimated income tax calculated based on the Company's statutory tax rate	$ 4,864,138	4,942,182
Tax effects of different tax rates applicable in foreign jurisdiction	2,280,976	2,819,754
Surtax on undistributed earnings	587,737	64,503
Tax-exempt income	(1,886,979)	(1,769,680)
Change in unrecognized temporary differences	(571,748)	(640,161)
Prior-period tax adjustments	523,150	38,151
Others	258,135	238,618
	$ 6,055,409	5,693,367

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets and liabilities

a) Deferred tax assets have not been recognized in respect of the following items.

	December 31, 2023	December 31, 2022
Unused tax losses carryforwards	$ 1,369,159	1,624,895
Deductible temporary differences	3,254,788	3,059,425
	$ 4,623,947	4,684,320

According to the Income Tax Act, the operating loss as examined and assessed by the local tax authorities could be carried forward for use as a deduction from taxable income over a period of prior years. As of December 31, 2023, the Group's recognized and unrecognized deferred tax assets resulted from loss carryforwards and the expiry year were as follows:

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Expiry year	Recognized deferred tax assets	Unrecognized deferred tax assets	Total
2024	$ -	211,862	211,862
2025	-	66,656	66,656
2026	-	16,931	16,931
2027	-	223,712	223,712
2028	496,421	13,452	509,873
2029	-	14,327	14,327
2030	-	16,490	16,490
2031	465	155,175	155,640
2032	17,479	12,559	30,038
2033	54,041	14,501	68,542
After 2034	150,212	623,494	773,706
	$ **718,618**	**1,369,159**	**2,087,777**

b) Unrecognized deferred tax liabilities on investment

As of December 31, 2023 and 2022, the temporary differences associated with investments in subsidiaries were not recognized as deferred income tax liabilities as follows:

	December 31, 2023	December 31, 2022
The temporary differences associated with investment in subsidiaries (tax amount):		
Unrecognized deferred tax liabilities	$ **8,298,180**	**7,532,885**

2) Recognized deferred tax assets and liabilities

The movements of deferred tax assets and liabilities for the years ended December 31, 2023 and 2022 were as follows:

	Recognized share of loss of subsidiaries and associates accounted for equity method	Unrealized exchange loss	Current refund liability	Allowance for inventory obsolescence	Loss carryforwards	Tax difference arising from depreciation of property, plant and equipment	Unearned revenue	Others	Total
Deferred tax assets:									
Balance at January 1, 2023	$ -	1,142,643	1,565,734	990,381	241,357	122,255	1,685,800	2,102,757	7,850,927
Recognized in profit or loss	-	278,268	793,791	253,141	477,261	(122,255)	(231,059)	541,290	1,990,437
Recognized in other comprehensive income	-	-	-	-	-	-	-	118,619	118,619
Balance at December 31, 2023	$ **-**	**1,420,911**	**2,359,525**	**1,243,522**	**718,618**	**-**	**1,454,741**	**2,762,666**	**9,959,983**
Balance at January 1, 2022	$ 185,387	-	2,838,803	574,568	219,785	152,654	739,228	1,471,544	6,181,969
Recognized in profit or loss	(185,387)	1,142,643	(1,273,069)	415,813	21,572	(30,399)	946,572	702,606	1,740,351
Recognized in other comprehensive income	-	-	-	-	-	-	-	(71,393)	(71,393)
Balance at December 31, 2022	$ **-**	**1,142,643**	**1,565,734**	**990,381**	**241,357**	**122,255**	**1,685,800**	**2,102,757**	**7,850,927**

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	Recognized share of gain of subsidiaries and associates accounted for equity method	Unrealized exchange gain	Others	Total
Deferred tax liabilities:				
Balance at January 1, 2023	$ 1,398,672	-	316,874	1,715,546
Recognized in profit or loss	504,353	-	14,504	518,857
Recognized in other comprehensive income	-	-	7,432	7,432
Balance at December 31, 2023	$ **1,903,025**	**-**	**338,810**	**2,241,835**
Balance at January 1, 2022	$ 2,251,928	515,719	286,123	3,053,770
Recognized in profit or loss	(853,256)	(515,719)	27,142	(1,341,833)
Recognized in other comprehensive income	-	-	3,609	3,609
Balance at December 31, 2022	$ **1,398,672**	**-**	**316,874**	**1,715,546**

(iii) The Company's tax returns for the years through 2021 were examined and approved by the Taiwan National Tax Administration.

(v) Capital and Other Equities

(i) Capital

As of December 31, 2023 and 2022, the Company's authorized ordinary shares consisted of 4,000,000,000 shares, with a par value of $10 per share, of which 2,899,766,000 and 2,901,602,000 shares, were issued and outstanding.

On June 18, 2020, the Board of Directors resolved to issue 63,000,000 shares with restricted employee rights at par value, amounting to $630,000, and the Board of Directors authorized the Chairman to set the base date of capital increase as February 18, 2021, the relevant registration procedures have been completed. On March 14, May 11, August 4 and December 21, 2023, and May 6, August 5 and November 4, 2022, the Board of Directors resolved to cancel 1,436,000 shares, 200,000 shares, 160,000 shares, 40,000 shares, 150,000 shares, 180,000 shares and 1,320,000 shares of $14,360, $2,000, $1,600, $400, $1,500, $1,800 and $13,200, respectively, and the relevant registration procedures have been completed.

(ii) Treasury Shares

1) In order to motivate the employees and improve the operating performance, the Company repurchased 58,769,000 of its own common stock as treasury shares at the amount of $1,607,259 in 2020, in accordance with the requirements under section 28(2) of the Securities and Exchange Act based on a resolution approved during the board meeting held on March 24, 2020. However, 21,255,000 shares and 4,245,000 shares were transferred to employees as of December 31, 2023 and 2022, resulting in the Company to hold 33,269,000 and 54,524,000 treasury shares, respectively.

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2) Pursuant to the Securities and Exchange Act, the number of treasury shares purchased cannot exceed 10% of the number of shares issued. The total purchase cost cannot exceed the sum of retained earnings, paid-in capital in excess of par value, and realized capital surplus. The shares purchased for the purpose of transferring to employees shall be transferred within five years from the date of share repurchase. Those that were not transferred within the said limit shall be deemed as not issued by the Company and it should be cancelled. Furthermore, treasury shares cannot be pledged for debts, and treasury shares does not carry any shareholder rights until it is transferred.

(iii) Capital surplus

Balances of capital surplus at the reporting dates were as follows:

	December 31, 2023	December 31, 2022
A premium issuance of common shares for cash	$ 20,223,928	20,223,928
Surplus arising from equity-accounted investees	14,501,925	12,408,834
A premium issuance of common stock in exchange for the net assets of the DMS business of AI	1,800,000	1,800,000
Restricted shares to employees	535,093	338,636
Employee stock options	62,213	101,960
Transaction of treasury shares	88,427	62,307
Other	178,398	114,775
	$ 37,389,984	**35,050,440**

In accordance with Companies Act, realized capital surplus can only be reclassified as share capital or be distributed as cash dividends after offsetting against losses. The aforementioned capital surplus includes share premiums and donation gains. In accordance with the Securities Offering and Issuance Guidelines, the amount of capital surplus to be reclassified under share capital shall not exceed 10 percent of the actual share capital amount.

(iv) Retained Earning

The Company's Articles of Incorporation provide that, when allocating the net profit for each fiscal year, the Company shall first offset its losses in previous years and then set aside the legal reserve at 10% of net profit until the accumulated legal reserve equals the Company's capital; and also set aside special capital reserve in accordance with relevant regulations or as requested by the authorities. Any balance left over and the beginning balance of retaining earnings shall be distributed by way of cash or stock dividends; and the ratio for all dividends shall exceed 10% of the remaining earnings. The appropriations of earnings are approved by the Company's Board of Directors in its meeting and presented for approval by the Company's shareholders in its meeting.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

In accordance with the requirements issued by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. An equivalent amount of special reserve shall be allocated from the after-tax net profit in the period, plus items other than after-tax net profit in the period, that are included in the undistributed current-period earnings and the undistributed prior-period earnings. A portion of undistributed prior-period earnings shall be reclassified to special earnings reserve to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

On November 21, 2012, the other unearned remuneration for the restricted employee shares was not accounted for as contra account of other shareholders' equity in accordance with Decree No.1010051600 issued by the Securities and Futures Bureau.

3) Dividends

As the Group is a technology and capital-intensive enterprise and is in its growth phase, it has adopted a more prudent approach in the appropriation of its remaining earnings as its dividend policy, in order to sustain its long-term capital needs and thereby maintain continuous development and steady growth. Under this approach, the distribution of stock dividend is not lower than ten percent of total distribution of dividends.

4) Earnings Distribution

The amounts of cash dividends of appropriations of earnings for 2022 and 2021 had been approved in the shareholders' meeting held on June 15, 2023 and June 17, 2022, respectively. These earnings were appropriated as follows:

	2022	2021
Dividends distributed to ordinary share holders		
Cash dividends	**$ 7,400,801**	**6,257,863**

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(v) Other equity (net of tax)

	Exchange differences on translation of foreign financial statements		Unrealized from financial assets measured at fair value through other comprehensive income		Deferred compensation arising from issuance of restricted shares
	Group	Associates	Group	Associates	Group
Balance at January 1, 2023	$ (1,002,626)	(198,563)	(1,026,646)	(40,860)	(282,007)
Foreign currency translation differences (net of tax)	(179,398)	(89,724)	-	-	-
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	-	561,750	399,247	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	(247,292)	-	-
Disposal of part of the equity of the subsidiary	(10,704)	-	-	-	-
Deferred compensation arising from issuance of restricted shares (net of tax)	-	-	-	-	182,275
Balance at December 31, 2023	$ (1,192,728)	(288,287)	(712,188)	358,387	(99,732)

	Exchange differences on translation of foreign financial statements		Unrealized from financial assets measured at fair value through other comprehensive income		Deferred compensation arising from issuance of restricted shares
	Group	Associates	Group	Associates	Group
Balance at January 1, 2022	$ (8,400,965)	(330,461)	(25,560)	(33,662)	(650,887)
Foreign currency translation differences (net of tax)	7,381,518	131,898	-	-	-
Unrealized losses from financial assets measured at fair value through other comprehensive income	-	-	(891,521)	(7,198)	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	(109,565)	-	-
Disposal of part of the equity of the subsidiary	16,821	-	-	-	-
Deferred compensation arising from issuance of restricted shares (net of tax)	-	-	-	-	368,880
Balance at December 31, 2022	$ (1,002,626)	(198,563)	(1,026,646)	(40,860)	(282,007)

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(vi) Non-controlling interests (net of tax)

	2023	2022
Balance on January 1	$ 22,270,407	14,567,841
Profit attributable to non-controlling interests	6,793,669	7,855,096
Other comprehensive income attributable to non-controlling interests		
Exchange differences on translation of foreign financial statements	72,173	896,308
Remeasurements of defined benefit plans	(3,086)	340
Changes in non-controlling interests	(4,594,102)	(1,049,178)
Balance on December 31	$ 24,539,061	22,270,407

(w) Share-based payment transactions

(i) WHQ-Restricted shares to employees

1) A resolution was approved during the shareholders' meeting on June 18, 2020 for a capital increase, wherein the Company to issued 63,000,000 new shares of restricted shares to those full-time employees who meet the Company's requirements. The above transaction had been registered with, and approved by the Securities and Futures Bureau of the Financial Supervisory Commission, R.O.C. Furthermore, on December 23, 2020, the Board of Directors approved to issue all the restricted shares, with the issuance date set on February 18, 2021, wherein the fair value on the grant date amounted to $30 per share.

Those employees who were granted the restricted share awards are entitled to purchase shares without remuneration, with the condition that these employees continue to provide services to the Company for at least 2 years, 3 years and 4 years (from the grant date), while 34%, 33% and 33% of the restricted shares are vested respectively depending on the completion of both the Company and their personal performance in each year. The restricted shares are kept by a trust, which are appointed by the Company, before it is vested. These shares shall not be sold, pledged, transferred, gifted, or disposed, by any other means to third parties during the custody period. The voting rights of these shareholders are executed by the custodian, and the custodian will act based on law and regulations. In addition, the appropriated dividends are also kept by a trust. If the shares remain unvested after the vesting period, the Company will repurchase all the unvested shares without compensation and cancel the shares thereafter.

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WISTRON CORPORATION AND SUBSIDIARIES
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2) Details of the restricted shares of the Company are as follows:

(Unit: in thousand shares)

	2023	2022
Outstanding at 1 January	$ 60,780	62,640
Vested during the year	(18,993)	(210)
Canceled during the year	(1,836)	(1,650)
Outstanding at 31 December	$ 39,951	60,780

3) The Company has recovered the cash dividends of $0 and $396 distributed for those employees who did not meet the vesting conditions in 2023 and 2022, respectively. The relevant registration procedures had been completed.

(ii) WHQ-Treasury shares transfer to employees

1) The Company transferred 58,769,000 shares repurchased in 2020 to employees based on the resolution approved during the board meeting held on November 12, 2020. The treasury shares were granted to the full-time employees of the subsidiary at home and aboard who meet the specific requirement.

2) Details of the treasury shares transfer to employees of the Company are as follows:

(Unit: in thousand shares)

	2023	2022
Outstanding at 1 January	$ 54,524	58,769
Exercised during the year	(21,255)	(4,245)
Outstanding at 31 December	$ 33,269	54,524

3) The Company used the Black-Scholes model in measuring the fair values of the share-based payment at the grant dates as follows:

	Restricted shares to employees	Treasury shares transfer to employees
Fair value at grant date (in dollars)	30	1.87
Stock price at grant date (in dollars)	-	29.20
Exercise price (in dollars)	-	27.35
Expected life of the option (years)	4 years	0.03 year
Expected volatility (%)	28.33%~29.87%	28.224%
Risk-free interest rate (%)	0.1130%~0.1505%	0.2907%

(Continued)

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Notes to the Consolidated Financial Statements

(iii) AGI-Employee stock option

AGI, a subsidiary of the Group, issued 1,400,000 and 1,100,000 units of employee stock options in accordance with the resolution approved by its Board of Directors on September 16, 2020 and June 13, 2023, respectively. Each unit of the employee stock option is convertible into 1 new share to employee. Related information were as follows:

1) Arrangement

	Equity-settled	
	2020 Employee stock option	2023 Employee stock option
Grant date	September 16, 2020	June 13, 2023/ September 1, 2023
Grant quantity	1,400,000	930,000/170,000
Contract period	3 years	3 years
Grant to	AGI's employees	AGI's employees
Vesting conditions	(Note 1)	(Note 2)

(Note 1): The exercise ratio of the employee stock options over the grant period were as follows:

Grant period	Exercise ratio (cumulative)
September 16, 2021	1/3
September 16, 2022	2/3
September 16, 2023	3/3

(Note 2): The exercise ratio of the employee stock options over the grant period were as follows:

Grant period	Exercise ratio (cumulative)
June 13, 2024	1/3
June 13, 2025	2/3
June 13, 2026	3/3

2) Measurable parameter of fair value at grant date

AGI used the Black-Scholes model in measuring the fair value of share-based payment at the grant date. The measurement inputs as follows:

	2020 employee stock option	2023 employee stock option
Fair value at grant date (in dollars)	$ 1.06	$ 14.20
Stock price at grant date (in dollars)	8.05	52.89
Exercise price (in dollars)	10	51
Expected volatility	25.98 %	34.46%~36.69%
Expected life of the option (years)	4 years	4 years
Risk-free interest rate	0.2915 %	1.02%~1.05%

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

3) The shares (in thousands) of the employee stock options were as follows:

	2020 employee stock option			
	2023		2022	
	Weighted-average exercise price (expressed in dollars)	Number of option (in thousands)	Weighted-average exercise price (expressed in dollars)	Number of option (in thousands)
Outstanding balance at the beginning of year	$ 10	1,084	10	1,171
Options exercised	10	(735)	10	(87)
Outstanding balance at the end of year	10	**349**	10	**1,084**
Exercisable numbers at the end of year		**349**		**616**

The outstanding employee stock options issued in 2020 were as follows:

	2020 employee stock option	
	December 31, 2023	December 31, 2022
Range of exercise price (in dollar)	$ 10	10
Weighed-average remaining duration (years)	-	0.71

	2023 employee stock option	
	2023	
	Weighted-average exercise price (expressed in dollars)	Number of option (in thousands)
Outstanding balance at the beginning of year	$ -	-
Options granted	-	1,100
Options exercised	-	-
Outstanding balance at the end of year	-	**1,100**
Exercisable numbers at the end of year		-

The outstanding employee stock options issued in 2023 were as follows:

	2023 employee stock option
	December 31, 2023
Range of exercise price (in dollar)	$ -
Weighed-average remaining duration (years)	2.67

(iv) WIS-Employee stock option

WIS, a subsidiary of the Group, issued 2,000,000 units of employee stock options in accordance with the resolution approved by its Board of Directors on April 27, 2021. Each unit of the employee stock option is convertible into 1 new share to employee. Related information were as follows:

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
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1) Arrangement

	Equity-settled Employee stock option
Grant date	April 27, 2021
Grant quantity	2,000,000
Subscription price per share	13
Contract period	3 years
Grant to	Employee of WHQ and WIS
Vesting conditions	(Note)

(Note): The exercise ratio of the employee stock options over the grant period were as follows:

Grant period	Exercise ratio (cumulative)
2022.5.19	1/2
2023.5.19	2/2

2) Measurable parameter of fair value at grant date

WIS used the Black-Scholes model to evaluate the fair value of the stock option at the grant date. The assumptions adopted in this valuation model were as follows:

	2021 employee stock option
Fair value at grant date (in dollars)	$4.50 / 4.64
Stock price at grant date (in dollars)	16.59
Exercise price (in dollars)	13.00
Expected volatility	27.04% / 25.93%
Expected life of the option	2 years / 2.5 years
Risk-free interest rate	0.1517% / 0.1688%

3) The shares (in thousands) of the employee stock options were as follows:

	2023		2022	
	Weighted average exercise price (expressed in dollars)	Number of option (in thousands)	Weighted average exercise price (expressed in dollars)	Number of option (in thousands)
Outstanding balance at the beginning of year	$ 13	1,717	13	2,000
Options exercised	13	-	13	(283)
Outstanding balance at the end of year	13	**1,717**	13	**1,717**
Exercisable numbers at the end of year		**1,717**		**717**

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The outstanding employee stock options were as follows:

	2023.12.31	2022.12.31
Range of exercise price (in dollar)	$ 13	13
Weightedaverage remaining duration (years)	0.38	1.38

(v) Compensation costs

The compensation costs recognized by the Group in 2023 and 2022 were as follows:

	2023	2022
Restricted shares to employees		
WHQ	$ 360,372	309,072
Employee stock option		
AGI	2,635	272
WIS	952	4,189
	$ 363,959	313,533

(x) Earnings per share

	2023	2022
Basic EPS:		
Net profit belonging to ordinary shareholders	$ 11,471,616	11,162,451
Weighted average ordinary shares outstanding (in thousands)	2,809,733	2,783,285
Basic EPS (in dollars)	$ 4.08	4.01
Diluted EPS:		
Net profit belonging to ordinary shareholders	$ 11,471,616	11,162,451
Weighted average ordinary shares outstanding (in thousands)	2,809,733	2,783,285
Effect of potentially dilutive ordinary shares (in thousands):		
Employees' remuneration	33,794	81,628
Restricted shares to employees	41,123	44,094
Weighted average ordinary shares outstanding plus the effect of potentially dilutive ordinary shares (in thousands)	2,884,650	2,909,007
Diluted EPS (in dollars)	$ 3.98	3.84

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(y) Revenue from contracts with customers

(i) Disaggregation of revenue

	2023	2022
Primary geographical markets		
United States	$ 408,036,880	449,173,264
China	95,999,010	122,055,532
Europe	180,112,800	210,921,751
Others	182,908,317	202,468,609
	$ 867,057,007	984,619,156
Major products		
Computer, Communication & Consumer electronics	$ 813,525,930	925,447,986
Others	53,531,077	59,171,170
	$ 867,057,007	984,619,156

(ii) Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Note and trade receivables	$ 121,337,182	100,349,317	161,647,155
Trade receivables-related parties	102,871	93,877	153,371
Less: loss allowance	(103,297)	(212,867)	(635,021)
Total	$ 121,336,756	100,230,327	161,165,505

	December 31, 2023	December 31, 2022	January 1, 2022
Current contract liabilities-warrantyand advance receipts	$ 9,596,727	7,958,473	5,656,399
Current refund liabilities	$ 12,343,135	8,832,142	10,918,128

For details on note and trade receivables and loss allowance, please refer to Note 6(e).

The contract liabilities were primarily related to the advance received from customers due to the warranty service. The major change in the balance of contract liabilities was the difference between the time frame of the performance obligation to be satisfied and the payment to be received. The amounts of revenue recognized for the years ended December 31, 2023 and 2022 that were included in the contract liability balances at the beginning of the years were $4,220,264 and $2,494,554, respectively.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(z) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

		2023	2022
Interest income	$	2,519,837	1,989,775

(ii) Other income

The details of other income were as follows:

		2023	2022
Dividend income	$	208,722	237,597
Rental income		383,191	331,794
Total	$	591,913	569,391

(iii) Other gains and losses

The details of other gains and losses were as follows:

		2023	2022
Foreign exchange gains, net	$	1,098,797	405,296
Gains (losses) on disposal of investments, net		58,021	(989)
Gains (losses) on disposal of property plant and equipment, net		(203,539)	10,220
Gains (losses) on financial assets or liabilities at fair value through profit or loss, net		214,988	(1,043,814)
Other investment loss		77,170	(175,098)
Impairment losses		(171,395)	-
Grant income		493,076	543,539
Others		244,667	152,271
Total	$	1,811,785	(108,575)

(iv) Finance costs

The details of interest expense were as follows:

		2023	2022
Interest expenses	$	(8,757,247)	(5,988,155)

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(aa) Remunerations to employees and directors

According to the Group' s Article of Incorporation, if the Company incur profit for the year (excluding the amounts of remuneration to employees and directors), the Company shall recognize the remuneration to employees and directors by the following rules. However, if the Company have accumulated deficits, it shall reserve the amount for offsetting deficits.

(i) The Company shall allocate not less than 5% of annual profits as employees' remuneration. The Company may distribute in the ways of shares or cash to the employees, the employees of subsidiaries of the Company, which depends on certain specific requirements determined by the Board of Directors.

(ii) The Company shall allocate not more than 1% of annual profit as the remuneration to directors in cash.

The estimated amounts of remuneration for the Company's employees and directors were as follows:

		2023	2022
Employees' remuneration	$	2,170,537	2,009,595
Directors' remuneration		114,314	100,000
	$	2,284,851	2,109,595

The amounts were calculated by the net profit before tax excluding employees' and directors' remuneration of each year multiplied by the percentage of employees' and directors' remuneration as specified in the Company's Article of Incorporation. The amounts were accounted for under cost of sales and operating expenses in 2023 and 2022. The differences between the estimated amounts in the financial statements and the actual amounts approved by the Board of Directors, if any, shall be accounted for as a change in accounting estimate and recognized in next year. Shares distributed as employees' remuneration were calculated based on the closing price of the Company's shares on the day before the approval by the Board of Directors.

The amounts, as stated in financial statements, were the same with those of actual distributions for 2023 and 2022. The remuneration to employees in 2022 was paid in cash. The information is available at the Market Observation Post System website.

(ab) Financial instruments

(i) Credit risk

1) Exposure to credit risk

The carrying amounts of financial assets represented the maximum amount exposed to credit risk.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Concentration of credit risk

The Group's majority customers were in high-tech industries. To reduce concentration of credit risk, the Group evaluated customers' financial positions periodically and requires its customers to provide collateral or promissory notes, if necessary. Besides, the Group periodically, evaluated the recoverability of trade receivables and recognize as loss allowances for doubtful accounts. Furthermore, it bought insurance for the receivables. As of December 31, 2023 and 2022, 65% and 55% of the Group's trade receivables were concentrated on 3 and 4 specific customers, respectively. Therefore, the Group was exposed to credit risk.

(ii) Liquidity risk

The followings were the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying amount	Contractual cash flows	Within 1 year	1-5 years	More than 5 years
As of December 31, 2023					
Non-derivative financial liabilities					
Short-term loans	$ 95,940,430	96,359,026	96,359,026	-	-
Note and trade payables (including related parties)	119,358,366	119,358,366	119,358,366	-	-
Other payables (including related parties)	29,652,585	29,652,585	29,652,585	-	-
Lease liabilities	5,638,530	6,562,037	866,264	2,408,656	3,287,117
Bonds payable (including current portion)	9,442,918	9,562,860	2,565,442	6,997,418	-
Long-term loans (including current portion)	21,579,457	23,402,847	2,015,985	18,862,470	2,524,392
Subtotal	281,612,286	284,897,721	250,817,668	28,268,544	5,811,509
Derivative financial liabilities					
Foreign currency forward contracts:					
Outflow	187,097	187,097	187,097	-	-
Carrying amount	187,097	187,097	187,097	-	-
Total	**$ 281,799,383**	**285,084,818**	**251,004,765**	**28,268,544**	**5,811,509**
As of December 31, 2022					
Non-derivative financial liabilities					
Short-term loans	$ 114,279,421	114,629,700	114,629,700	-	-
Note and trade payables (including related parties)	108,802,275	108,802,275	108,802,275	-	-
Other payables (including related parties)	29,252,965	29,252,965	29,252,965	-	-
Lease liabilities	5,136,335	6,058,952	2,155,486	730,796	3,172,670
Bonds payable	9,439,683	9,632,396	69,535	9,562,861	-
Long-term loans (including current portion)	16,476,275	17,317,845	5,657,777	9,966,523	1,693,545
Subtotal	283,386,954	285,694,133	260,567,738	20,260,180	4,866,215
Derivative financial liabilities					
Foreign currency forward contracts:					
Outflow	161	161	161	-	-
Carrying amount	161	161	161	-	-
Total	**$ 283,387,115**	**285,694,294**	**260,567,899**	**20,260,180**	**4,866,215**

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The Group did not expect that the cash flows included in the maturity analysis would occur significantly earlier or at significantly different amounts.

(iii) Market risk

1) Currency risk

a) Exposure to currency risk

The Group's significant exposures to foreign currency risk were as follows:

	December 31, 2023			
	Foreign currency (in thousands)		Exchange rate	TWD
Financial assets				
Monetary items				
USD	204	USD/BRL=	4.854	6,277
	41,523	USD/CZK=	22.334	1,276,181
	226	USD/HKD=	7.813	6,947
	180	USD/INR=	83.140	5,541
	2,348	USD/JPY=	141.670	72,163
	1,102	USD/MXN=	16.951	33,859
	10,347,307	USD/TWD=	30.735	318,024,509
	12,381	USD/CNY=	7.108	380,472
	2,380	USD/TRY=	29.545	73,134
CNY	146,421	CNY/TWD=	4.324	633,169
	1,741,188	CNY/USD=	0.141	7,529,414
Non-monetary items				
USD	121,626	USD/TWD=	30.735	3,738,173
Financial liabilities				
Monetary items				
USD	12	USD/BRL=	4.854	373
	24,308	USD/CZK=	22.334	747,133
	3,728	USD/MXN=	16.951	114,561
	9,164,890	USD/TWD=	30.735	281,682,869
	35,396	USD/CNY=	7.108	1,087,844
CNY	57,022	CNY/TWD=	4.324	246,584
	4,081,363	CNY/USD=	0.141	17,649,040

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WISTRON CORPORATION AND SUBSIDIARIES
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	December 31, 2022			
	Foreign currency (In thousands)	Exchange rate		TWD
Financial assets				
Monetary items				
USD	254	USD/BRL=	5.289	7,792
	35,069	USD/CZK=	22.715	1,076,900
	263	USD/HKD=	7.797	8,069
	38	USD/INR=	82.500	1,173
	52,243	USD/JPY=	133.090	1,604,254
	-	USD/KRW	1,261.570	1
	9,715	USD/MXN=	19.497	298,334
	7,433,440	USD/TWD=	30.708	228,266,089
	8,581	USD/CNY=	6.948	263,501
	11,438	USD/TRY=	18.726	351,245
CNY	149,473	CNY/TWD=	4.420	660,668
	11,219,017	CNY/USD=	0.144	49,588,053
Non-monetary items				
USD	110,882	USD/TWD=	30.708	3,404,955
Financial liabilities				
Monetary items				
USD	14	USD/BRL=	5.289	439
	10,849	USD/CZK=	22.715	333,160
	24	USD/HKD=	7.797	727
	29	USD/JPY=	133.090	881
	3,794	USD/MXN=	19.497	116,524
	6,615,189	USD/TWD=	30.708	203,139,239
	25,621	USD/CNY=	6.948	786,805
	-	USD/TRY=	18.726	8
CNY	63,950	CNY/TWD=	4.420	282,662
	11,733,373	CNY/USD=	0.144	51,861,506

b) Currency risk sensitivity analysis

The Group's exposure to foreign currency risk arose from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade receivables, other receivables, loans, trade payables and other payables that were denominated in foreign currency.

A Strengthening (weakening) 5% of appreciation (depreciation) of the TWD against the USD and the CNY as of December 31, 2023 and 2022, would change the net profit after tax by $1,060,530 and $1,024,165, respectively. The analysis assumed that all other variables remain constant.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2) Interest rate analysis

The interest risk for financial liabilities of the Group would be explained in liquidity risk management stated in this note.

The following sensitivity analysis was based on the risk exposure to interest rates on non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumed the variable rate liabilities were outstanding for the whole year on the reporting date.

If the interest rate change by 25 basis points, the Group's net profit after tax would change by $48,200 and $49,002 for the years ended December 31, 2023 and 2022, respectively, with all other variable factors that remained constant. This was mainly due to the Group's borrowings in floating variable rate.

3) Other market price risk

For the years ended December 31, 2023 and 2022, the sensitivity analyses for the changes in the securities price at the reporting dates were performed using the same basis for profit or loss as illustrated below:

	For the years ended December 31			
	2023		2022	
Price of securities at reporting date	After-tax other comprehensive income	Net profit	After-tax other comprehensive income	Net profit
Increasing 3%	$ 210,800	11,515	182,962	198,390
Decreasing 3%	$ (210,800)	(11,515)	(182,962)	(198,390)

4) Fair value information

a) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss, financial instruments used for hedging, and financial assets at fair value through other comprehensive income was measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount was reasonably close to the fair value, and disclosure of fair value information was not required:

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
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	December 31, 2023				
	Carrying amount	Level 1	Level 2	Level 3	Total
Current financial assets at fair value through profit or loss					
Derivative financial assets	$ 2,570	-	2,570	-	2,570
Money market fund	3,828,965	-	3,828,965	-	3,828,965
Listed companies	383,837	383,837	-	-	383,837
Structured deposits	129,920	-	129,920	-	129,920
Subtotal	$ 4,345,292	383,837	3,961,455	-	4,345,292
Current financial assets at fair value through other comprehensive income					
Trade receivables	$ 34,420,237	-	-	-	-
Non-current financial assets at fair value through profit or loss					
Convertible bonds	$ 103,599	-	-	103,599	103,599
SAFE	20,300	-	-	20,300	20,300
Subtotal	$ 123,899	-	-	123,899	123,899
Non-current financial assets at fair value through other comprehensive income					
Equity instruments	$ 8,002,132	4,056,226	-	3,945,906	8,002,132
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 75,231,756	-	-	-	-
Restricted deposits	1,787,570	-	-	-	-
Note and trade receivables (including related parties)	86,916,519	-	-	-	-
Other receivables (including related parties)	5,238,641	-	-	-	-
Other financial assets	16,050	-	-	-	-
Bonds	10,000	-	-	-	-
Subtotal	$ 169,200,536	-	-	-	-
Refundable deposits	$ 2,192,567	-	-	-	-
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	$ 187,097	-	187,097	-	187,097
Financial liabilities measured at amortized cost					
Short-term loans	$ 95,940,430	-	-	-	-
Note and trade payables (including related parties)	119,358,366	-	-	-	-
Other payables (including related parties)	29,652,585	-	-	-	-
Lease liabilities	5,638,530	-	-	-	-
Bonds payable	9,442,918	-	-	-	-
Long-term loans (including current portion)	21,579,457	-	-	-	-
Subtotal	$ 281,612,286	-	-	-	-

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	December 31, 2022				
	Carrying amount	Level 1	Level 2	Level 3	Total
Current financial assets at fair value through profit or loss					
Derivative financial assets	$ 152,284	-	152,284	-	152,284
Listed companies	8,234,910	8,234,910	-	-	8,234,910
Subtotal	$ 8,387,194	8,234,910	152,284	-	8,387,194
Current financial assets at fair value through other comprehensive income					
Trade receivables	$ 15,517,347	-	-	-	-
Non-current financial assets at fair value through profit or loss					
Convertible bonds	80,402	-	-	80,402	80,402
SAFE	86,964	-	-	86,964	86,964
Subtotal	$ 167,366	-	-	167,366	167,366
Non-current financial assets at fair value through other comprehensive income					
Equity instruments	$ 6,729,413	2,979,466	-	3,749,947	6,729,413
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 66,337,316	-	-	-	-
Restricted deposits	1,913,684	-	-	-	-
Note and trade receivables (including related parties)	84,712,980	-	-	-	-
Other receivables (including related parties)	4,476,076	-	-	-	-
Other financial assets	378,334	-	-	-	-
Subtotal	$ 157,818,390	-	-	-	-
Refundable deposits	$ 1,873,333	-	-	-	-
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	$ 161	-	161	-	161
Financial liabilities measured at amortized cost					
Short-term loans	$ 114,279,421	-	-	-	-
Note and trade payables (including related parties)	108,802,275	-	-	-	-
Other payables (including related parties)	29,252,965	-	-	-	-
Lease liabilities	5,136,335	-	-	-	-
Bonds payable	9,439,683	-	-	-	-
Long-term loans (including current portion)	16,476,275	-	-	-	-
Subtotal	$ 283,386,954	-	-	-	-

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

b) Valuation techniques for financial instruments measured at fair value

i) Non-derivative financial instruments

The fair value of financial instruments which traded in an active market was based on the quoted market price. The quotation announced by the stock exchange center or exchange center of central government bond, might be regarded as the fair value of the listed equity securities and debt instruments which was traded in an active market.

A financial instrument was regarded as being quoted in an active market if quoted prices were readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions taking place 'regularly' was a matter of judgment and depended on the facts and circumstances of the market for the instrument.

Quoted market prices might not be indicative of the fair value of an instrument if the activity in the market was infrequent, the market was not well-established, only small volumes were traded, or bid-ask spreads were very wide. Determining whether a market was active involves judgment.

The listed stock was traded in the active market and its fair value was based on the quoted market price accordingly.

Measurements of fair value of financial instruments without an active market were based on valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that could be extrapolated from either similar financial instruments or discounted cash flow method or the market transaction prices of the similar companies or other valuation techniques, including models, was calculated based on available market data at the reporting date.

The financial instrument of the Group was not traded in an active market, its fair value was determined basing on the ratio of the quoted market price of the comparative listed company and its book value per share. Also, the fair value was discounted for its lack of liquidity in the market.

ii) Derivative financial instruments

Measurement of the fair value of derivative instruments was based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models.

Fair value of forward currency was usually determined by the forward currency exchange rate.

c) Transfer between level 1 and level 3: None.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

d) Changes between level 3

The movements in the reconciliation of level 3 fair values during the years ended December 31, 2023 and 2022 were as follows:

	Fair value through profit or loss	Fair value through other comprehensive income	
	Non-derivative financial assets mandatorily measured at fair value through profit or loss	Unquoted equity instruments	Total
Balance at January 1, 2023	$ 167,366	3,749,947	3,917,313
Total gains and losses recognized			
in profit or loss	(100,055)	-	(100,055)
in other comprehensive income	-	(643,942)	(643,942)
Reclassification	(211,664)	211,664	-
Acquisition	283,559	808,454	1,092,013
Disposal and return of capital	(15,307)	(58,929)	(74,236)
Effect of tax	-	(121,288)	(121,288)
Balance at December 31, 2023	$ 123,899	3,945,906	4,069,805
Balance at January 1, 2022	$ 70,680	2,368,005	2,438,685
Total gains and losses recognized			
in profit or loss	18,925	-	18,925
in other comprehensive income	-	198,013	198,013
Acquisition	77,761	1,234,298	1,312,059
Disposal and return of capital	-	(87,767)	(87,767)
Effect of tax	-	37,398	37,398
Balance at December 31, 2022	$ 167,366	3,749,947	3,917,313

For the years ended December 31, 2023 and 2022, the total gains and losses that were included in "other gains and losses" and "unrealized gains and losses from financial assets measured at fair value through other comprehensive income" were as follows:

	2023	2022
Total gains and losses recognized:		
in profit or loss, and presented in "other gains and losses"	$ (100,055)	18,925
in other comprehensive income, and presented in "unrealized gains (losses) from financial assets measured at fair value through other comprehensive income"	(643,942)	198,013
	$ (743,997)	216,938

e) Quantified information on significant unobservable inputs (level 3) used in fair value measurement

The Group's financial instruments that used level 3 inputs to measure fair value include " financial assets measured at fair value through profit or loss– debt investments" and " financial assets measured at fair value through other comprehensive income–equity investments".

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WISTRON CORPORATION AND SUBSIDIARIES
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Most of the fair value measurements categorized within level 3 used the single and significant unobservable input. Equity investments without an active market contained multiple significant unobservable inputs. The significant unobservable inputs of the equity investments were independent from each other, as a result, there was no relevance between them.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets measured at fair value through profit or loss-SAFE and convertible bonds	Binary tree model	·EV/Revenue (as of December 31, 2023, were 1.53~9.05 and December 31, 2022, were 0.35~0.43)	·The estimated fair value would increase if the multiplier was higher.
		·Volatility (as of December 31, 2023, were 23.42%~62.51% and December 31, 2022, were 37.69%~72.17%)	·As of December 31, 2023, the estimated fair value would increase if volatility was higher. ·As of December 31, 2022, the estimated fair value would decrease if volatility was higher.
		·Liquidity discount rate (as of December 31, 2023, were 15.74%~30.00%)	·The estimated fair value would decrease if the liquidity discount rate was higher.
		·Perpetual growth rate (as of December 31, 2022, were 3.0~3.4)	·The estimated fair value would increase if perpetual growth rate was higher.
		·Cost of capital rate (as of December 31, 2022, were 31%~33%)	·The estimated fair value would decrease if cost of capital rate was higher.
	Black-Scholes Option Pricing Model	.EV/ Revenue (as of December 31, 2023, were 1.15~3.73)	·The estimated fair value would increase if the multiplier was higher.
		·Liquidity discount rate (as of December 31, 2023, were 16.32%~30.00% and December 31, 2022, were 20.90%~25.33%)	·The estimated fair value would decrease if the liquidity discount rate was higher.
		·Volatility (as of December 31, 2023, were 13.38%~75.09% and December 31, 2022, were 34.23%~39.52%)	·The estimated fair value would decrease if the volatility was higher.

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WISTRON CORPORATION AND SUBSIDIARIES
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Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets measured at fair value through other comprehensive income-equity investments without an active market	Comparable listed companies approach-equity method	·Price–book ratio (as of December 31, 2023, were 0.55~14.25, were and December 31, 2022, were 1.02~22.15)	·The estimated fair value would increase if the multiplier was higher.
		·Market liquidity discount rate (as of December 31, 2023, and December 31, 2022, were 20%)	·The estimated fair value would decrease if market liquidity discount rate was higher.
	Net asset value method	·Net asset value	Not applicable

f) Fair value measurements in level 3-sensitivity analysis of reasonably possible alternative assumptions.

The Group's measurement on the fair value of financial instruments was deemed reasonable despite different valuation models or assumptions might lead to different results. For fair value measurements in level 3, changing one or more of the assumptions would have the following effects on profit or loss and other comprehensive income:

	Inputs	Increase or decrease	Profit or loss Favorable	Profit or loss Unfavorable	Other comprehensive income Favorable	Other comprehensive income Unfavorable
December 31, 2023						
Financial assets measured at fair value through profit or loss	EV/ Revenue	5%	$ 6,195	(6,195)	-	-
	Volatility	5%	6,195	(6,195)	-	-
	Liquidity discount rate	5%	4,905	(4,905)	-	-
Financial assets at fair value through other comprehensive income	Price-book ratio	5%	-	-	56,365	(56,365)
	Market liquidity discount rate	5%	-	-	56,365	(56,365)
	Net asset value method	5%	-	-	140,931	(140,931)
December 31, 2022						
Financial assets measured at fair value through profit or loss	EV/ Revenue	5%	351	(351)	-	-
	Volatility	5%	351	(351)	-	-
	Liquidity discount rate	5%	4,348	(4,348)	-	-
Financial assets at fair value through other comprehensive income	Price-book ratio	5%	-	-	58,996	(58,996)
	Market liquidity discount rate	5%	-	-	58,996	(58,996)
	Net asset value method	5%	-	-	132,661	(132,661)

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

The favorable and unfavorable effects represented the changes in fair value, and fair value was based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflected the effects of changes in a single input, and it did not include the interrelationships with another input.

5) Offsetting financial assets and financial liabilities

The Group had financial instrument transactions applicable to the Section 42 of International Financial Reporting Standards No. 32 approved by the FSC which required for offsetting. Financial assets and liabilities relating to those transactions were recognized in the net amount of the balance sheets.

The following tables presented the aforesaid offsetting financial assets and financial liabilities.

Unit: Foreign currency in thousands

December 31, 2023
Financial assets that were offset based on an enforceable master netting arrangement or similar agreement

		Gross amounts of recognized financial assets (a)	Gross amounts of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c)=(a)-(b)	Amounts not offset in the balance sheet (d)		Net amounts (e)=(c)-(d)
					Financial instruments	Cash collateral received	
Other non-current assets	USD	8,491,700	8,491,700	-	-	-	-
	CNY	52,754,914	52,754,914	-	-	-	-
	EUR	48,645	48,645	-	-	-	-
	JPY	54,212,674	54,212,674	-	-	-	-

December 31, 2023
Financial liabilities that were offset based on an enforceable master netting arrangement or similar agreement

		Gross amounts of recognized financial liabilities (a)	Gross amounts of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c)=(a)-(b)	Amounts not offset in the balance sheet (d)		Net amounts (e)=(c)-(d)
					Financial instruments	Cash collateral received	
Short-term loans	USD	8,491,700	8,491,700	-	-	-	-
	CNY	52,754,914	52,754,914	-	-	-	-
	EUR	48,645	48,645	-	-	-	-
	JPY	54,212,674	54,212,674	-	-	-	-

December 31, 2022
Financial assets that were offset based on an enforceable master netting arrangement or similar agreement

		Gross amounts of recognized financial assets (a)	Gross amounts of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c)=(a)-(b)	Amounts not offset in the balance sheet (d)		Net amounts (e)=(c)-(d)
					Financial instruments	Cash collateral received	
Other non-current assets	USD	12,156,807	12,156,807	-	-	-	-
	CNY	35,104,655	35,104,655	-	-	-	-

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

December 31, 2022
Financial liabilities that were offset based on an enforceable master netting arrangement or similar agreement

		Gross amounts of recognized financial liabilities (a)	Gross amounts of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c)=(a)-(b)	Amounts not offset in the balance sheet (d)		Net amounts (e)=(c)-(d)
					Financial instruments	Cash collateral received	
Short-term loans	USD	12,156,807	12,156,807	-	-	-	-
	CNY	35,104,655	35,104,655	-	-	-	-

(ac) Financial risk management

(i) By using financial instruments, the Group was exposed to risks as below:

1) Credit risk

2) Liquidity risk

3) Market risk

Detailed information about exposure risk arising from the aforementioned risks was listed below. The Group's objective, policies and processes for managing risks and methods used to measure the risk arising from financial instruments.

(ii) Risk management framework

The Group' s finance management department provided business services for the overall internal department. It set the objectives, policies and processes for managing the risk and the methods used to measure the risk arising from both the domestic and international financial market operations.

The Group minimized the risk exposure through derivative financial instruments. The Shareholder's meeting regulated the use of derivative financial instruments in accordance with the Group' s policy about risks arising from financial instruments to which the Group was exposed to. The Group's internal auditors continued with the review of the amount of the risk exposure in accordance with the Group' s policy and the risk management policies and procedures. Derivative contracts of the Group with several financial institutions were intended to manage foreign currency exchange and interest rate fluctuation risks.

The chief of finance management department arranged a meeting to review the strategy and performance, then reported the results to Chief Financial Officer and Chairman periodically.

(iii) Credit risk

Credit risk was the risk of financial loss to the Group if a customer or counterparty to financial instruments failed to meet its contractual obligations that arose principally from the Group's note and trade receivables and investments.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

1) Note and trade receivables

The Group's credit policy was transacting with creditworthy customers, and obtained collateral to mitigate risks arising from financial loss due to default. The Group would transact with corporations of credit ratings equivalent to investment grade and such ratings were provided by independent rating agencies. Where it was not possible to obtain such information, the Group would assess the ratings based on other publicly available financial information and transactions records with its major customers. The Group continued to monitor the exposure to credit risk and counterparty credit rating, and evaluated the customers' credit rating and credit limit via automatic finance system to manage the credit exposure.

2) Investments

The credit risk exposure in the bank deposits, other financial instruments and equity instruments were measured and monitored by the Group's finance department. Since the Group's transactions resulted from the external parties with good credit standing and investment grade above financial institutions, publicly-traded stocks companies and non publicly-traded stocks companies, there were no incompliance issues and therefore no significant credit risk.

3) Guarantee

According to the Group's policy, the Group could only provide guarantee to which was listed under the regulation. The Group did not provide guarantees to any non-consolidated subsidiaries as of December 31, 2023 and 2022.

(iv) Liquidity risk

The Group maintained sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Group's management supervised the bank loan facilities and ensured in compliance with the terms of the loan agreements.

The loan was an important source of liquidity for the Group. As of December 31, 2023 and 2022, the Group had unused credit facilities for short-term and long-term loans of $266,004,413 and $227,206,573, respectively.

(v) Market risk

Market risk was the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices would affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management was to manage and control market risk exposures within acceptable parameters, while optimizing the return.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

1) Currency risk

The Group was exposed to currency risk on sales, purchases and borrowings that were denominated in a currency other than the respective functional currencies of the Group's entities, the New Taiwan Dollar. The currencies used in these transactions were denominated in TWD, EUR, USD, JPY and CNY.

The foreign currency assets and liabilities might lead to the interest risk since the fluctuation of the market exchange rate influenced the Group's future cash flow. The Group entering into forward and swap contracts were intended to manage the exchange rate risk due to the Group's current and future demands for foreign currency. The contract periods were decided in consideration of the Group's foreseeable assets and liabilities and expected cash flow. At the maturity date of the derivative contract, the Group would settle these contracts using the foreign currencies arising from the assets denominated in foreign currency.

2) Interest risk

The Group's short-term loans, long-term loans and advances from factoring of trade receivables bore floating interest rates. The changes in effective rate along with the fluctuation of the market interest rate influenced the Group's future cash flow. The Group reduced the interest risks by negotiating the loan interest rates frequently with banks.

3) Other market price risk

The Group monitored the risk arising from its security instruments, which were held for monitoring cash flow requirements and unused capital. The management of the Group monitored the combination of equity securities and open-market funds in its investment portfolio based on cash flow requirements. Material investments within the portfolio were managed on an individual basis, and all buy-and-sell decisions were approved by the Board of Directors.

(ad) Capital management

Through clear understanding and managing of significant changes in external environment, related industry characteristics, and corporate growth plan, the Group managed its capital structure to ensure it had sufficient financial resources to sustain proper liquidity, to invest in capital expenditures, as well as research and development expenses, to repay debts and to distribute dividends in accordance with its plan. The management pursued the most suitable capital structure by monitoring and maintaining proper financial ratios as below. The Group aimed to enhance the returns of its shareholders through achieving an optimized debt-to-equity ratio regularly.

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The Group controlled the capital structure through regularly reviewing debt-to-equity ratio. The debt-to-equity ratio of the Group as of December 31, 2023 and 2022, were as follows:

	December 31, 2023	December 31, 2022
Total liabilities	$ 323,627,604	314,255,218
Less: cash and cash equivalents	(75,231,756)	(66,337,316)
Net debt	248,395,848	247,917,902
Total equity	128,763,172	118,652,556
Adjusted equity	$ 377,159,020	366,570,458
Debt-to-equity ratio at December 31	65.86%	67.63%

(Note): Adjusted equity included total equity and net debt.

As of December 31, 2023, the Group's capital management strategy was consistent with the prior years.

(ae) Financing activities not affecting the current cash flow

For the years ended December 31, 2023 and 2022, reconciliations of liabilities arising from financing activities were as follows:

			Non-cash changes		
	January 1, 2023	Cash flows	Effect of changes in foreign exchange rates	Others	December 31, 2023
Short-term loans	$ 114,279,421	(17,834,097)	(504,894)	-	95,940,430
Long-term loans (including current portion)	16,476,275	5,144,843	(46,395)	4,734	21,579,457
Lease liabilities	5,136,335	(910,888)	287,338	1,125,745	5,638,530
Bonds payable	9,439,683	-	-	3,235	9,442,918
Guarantee deposits	1,643,601	398,187	(952,727)	-	1,089,061
Total liabilities from financing activities	$ 146,975,315	(13,201,955)	(1,216,678)	1,133,714	133,690,396

			Non-cash changes		
	January 1, 2022	Cash flows	Effect of changes in foreign exchange rates	Others	December 31, 2022
Short-term loans	$ 140,899,659	(37,370,628)	10,750,390	-	114,279,421
Long-term loans (including current portion)	24,455,598	(10,176,246)	2,262,653	(65,730)	16,476,275
Lease liabilities	3,676,022	(814,303)	364,561	1,910,055	5,136,335
Bonds payable	9,436,448	-	-	3,235	9,439,683
Guarantee deposits	388,642	1,218,915	36,044	-	1,643,601
Total liabilities from financing activities	$ 178,856,369	(47,142,262)	13,413,648	1,847,560	146,975,315

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(7) Related-party transactions:

(a) Names and relationship with related parties

The followings were entities that had transactions with the Group during the periods covered in the consolidated financial statements.

Names of the related parties	Relationships
T-CONN PRECISION (Zhongshan) CORPORATION (TZS)	The Group's associate
T-CONN PRECISION CORPORATION (TPE)	The Group's associate
HSIEH-YUH TECHNOLOGY CO., LTD. (HYBVI)	The Group's associate
HSIEH-YUH ELECTRONICS TECHNOLOGY (ZHONG SHAN) CO., LTD. (HYZS)	The Group's associate
Join-Link International Technology Co. Ltd. (JLH)	The Group's associate
Maya International Company, Ltd. (MAYA)	The Group's associate
WNC (Kunshan) Corporation (NQJ)	The Group's associate
Webcom Communication (Kunshan) Corporation (NYC)	The Group's associate
Wistron Neweb (Kunshan) Corporation (NQX)	The Group's associate
Wistron NeWeb Corporation (WNC)	The Group's associate
NEWEB VIETNAM CO., Ltd. (NVNM)	The Group's associate
Fullerton Ltd. (FLT)	The Group's associate
FREE Bionics Taiwan Inc. (FBTW)	The Group's associate
Wistron Information Technology and Services Corporation (WITS)	The Group's associate
XTRONICS (Nanjing) Automotive Intelligent Technologies Co., Ltd (XTRNA)	The Group's associate
LIAN-YI PRECISION (ZHONGSHAN) INC. (LYZ)	The Group's associate
LIAN-YI (FAR EAST) LTD. (LYF)	The Group's associate
CHANGING INFORMATION TECHNOLOGY INC. (CGI)	The Group's associate
Wuhan Wistron Virgin Technology & Service INC. (WIWZ)	The Group's associate
B-TEMIA INC. (BTI)	The Group's associate
Formosa Prosonic Industries Berhad (FPI)	The Group's associate
W-Neweb Corporation (NUSA)	The Group's associate
WISTRON HUMANITIES FOUNDATION (WFQ)	The Group's other related party

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(b) Related party transactions

(i) Sales

The amounts of significant sales transactions and outstanding balances between the Group and related parties were as follows:

	Sales	
	2023	2022
Associates	$ 289,694	443,652

	Receivables from related parties	
	December 31, 2023	December 31, 2022
Associates	$ 102,871	93,877

The selling prices and payment terms of trade receivables from related parties were based on varied economic environment and market forms. The above selling prices and payment terms with related parties were not significantly different from those with third-party customers.

(ii) Purchases

The amounts of significant purchase transactions and outstanding balances between the Group and related parties were as follows:

	Purchases	
	2023	2022
Associates	$ 2,350,887	2,849,336

	Payables to related parties	
	December 31, 2023	December 31, 2022
Associates	$ 937,484	727,109

Trading terms of purchase transactions with related parties were not significantly different from those with third-party vendors.

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6 Financial Standing

WISTRON CORPORATION AND SUBSIDIARIES
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(iii) Rental income and its outstanding balances were as follows:

	Rental Income	
	2023	2022
Rental income		
Associate	$ 2,500	3,890

	Other receivables from related parties	
	December 31, 2023	December 31, 2022
Rental receivables		
Associate	$ 225	339

(iv) Property transactions, operating expenses and their outstanding balances were as follows:

	Acquisition price	
	2023	2022
Acquisition of assets		
Associates	$ 243,127	91,510
Contribution		
WFQ	$ 33,487	35,616

	Other payables to related parties	
	December 31, 2023	December 31, 2022
Payables resulting from acquisition of assets		
Associate	$ 560	4,117

(v) The Group acquired 30% shares of BTA from BTI in the first quarter of 2022 with a fair value of $33,202, which was fully paid as of December 31, 2023.

(vi) The Group leased factories and warehouses from WNC. The amounts of right-of-use assets and lease liabilities recognized at the beginning were $326,523. The amounts of interest expense recognized for the years ended December 31, 2023 and 2022 were $2,902 and $1,672, respectively. As of December 31, 2023 and 2022, the balances of lease liabilities were $200,447 and $80,037, respectively.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
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(vii) Advances to related parties

The Group paid certain expenses on behalf of related parties including purchase, repair expense and other disbursements were as follows:

	Other receivables from related parties	
	December 31, 2023	December 31, 2022
Associates	$ 4,524	3,671

(viii) Advances from related parties

Related parties paid certain expenses on behalf of the Group, including technical services, salaries, and repair expenses were as follows:

	Other payables to related parties	
	December 31, 2023	December 31, 2022
Associates	$ 35,301	43,524

(ix) Receivables from related parties resulting from the above transactions were as follows:

	December 31, 2023	December 31, 2022
Other receivables-related parties:		
Rental receivables	$ 225	339
Other receivables	4,524	3,671
	$ 4,749	4,010

(x) Payables to related parties resulting from the above transactions were as follows:

	December 31, 2023	December 31, 2022
Other payables-related parties:		
Payable resulting from acquisition of assets	$ 560	4,117
Other payables	35,301	43,524
	$ 35,861	47,641

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Transactions with key management personnel

Key management personnel remuneration:

	2023	2022
Short-term employee benefits	$ 145,429	120,339
Post-employment benefits	3,912	2,892
Other long-term benefits	1,992	2,024
	$ 151,333	125,255

(8) Pledged assets:

The carrying values of pledged assets were as follows:

Pledged assets	Object	December 31, 2023	December 31, 2022
Inventory	Inventory guarantee	$ 952,785	951,948
Other non-current assets and other current assets-restricted deposits	Performance guarantee	1,779,142	1,606,785
Other non-current assets-restricted deposits	Stand by L/C	283	1,905
Other non-current assets-restricted deposits	Custom guarantee	6,347	6,342
Other non-current assets-restricted deposits	Litigation guarantee	1,798	-
		$ 2,740,355	2,566,980

(9) Commitments and contingencies:

(a) As of December 31, 2023 and 2022, the unused letters of credit were as follows:

	December 31, 2023	December 31, 2022
Unused letters of credit	$ 92,349	65,461

(10) Losses due to major disasters: None.

(11) Subsequent events:

(a) The appropriation of earnings for 2023 that was approved at the Board of Directors meeting on March 12, 2024, was as follows:

	2023
Ordinary share dividends	
Cash dividends	$ 7,461,546

The aforesaid appropriation of earnings for 2023 is to be presented for approval in the shareholders' meeting to be held in May 2024.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(12) Other

(a) Total personnel, depreciation and amortization expenses categorized by function were as follows:

	2023			2022		
	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Personnel expenses						
Salaries	19,643,644	18,793,623	38,437,267	22,411,410	18,453,979	40,865,389
Labor and health insurance	3,006,861	1,592,125	4,598,986	3,186,171	1,502,719	4,688,890
Pension	661,922	627,734	1,289,656	529,769	587,727	1,117,496
Remuneration of directors	-	151,784	151,784	-	137,240	137,240
Others	2,300,758	801,568	3,102,326	2,508,702	674,465	3,183,167
Depreciation	10,318,706	1,560,040	11,878,746	9,656,781	1,358,724	11,015,505
Amortization	54,383	412,031	466,414	44,218	415,388	459,606

(13) Other disclosures

(a) Information on significant transactions

The following was the information on significant transactions required by the " Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the year ended December 31, 2023:

(i) Financings to other parties: Please see Table 1 attached.

(ii) Guarantees and endorsements for other parties: Please see Table 2 attached.

(iii) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Please see Table 3 attached.

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of share capital: Please see Table 4 attached.

(v) Acquisition of real estate with amount exceeding the lower of NT$300 million or 20% of share capital: Please see Table 5 attached.

(vi) Disposition of real estate with amount exceeding the lower of NT$300 million or 20% of share capital: Please see Table 6 attached.

(vii) Total purchases from or sales to related parties with amount exceeding the lower of NT$100 million or 20% of share capital: Please see Table 7 attached.

(viii) Receivables from related parties with amount exceeding the lower of NT$100 million or 20% of share capital: Please see Table 8 attached.

(ix) Derivative transactions: Please refer to Note 6(b) for related information.

(x) Business relationships and significant inter-company transactions: Please see Table 9 attached.

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Information on investees (excluded investment in Mainland China):

Information on investees for the year ended December 31, 2023: Please see Table 10 attached.

(c) Information on investment in Mainland China: Please refer to Table 11 attached.

(d) Major shareholders: None.

(14) Segment information:

(a) General information

The major activities of the Group are the design, manufacture and sale of information technology products. The chief operating decision maker of the Group determines each business group as an operating segment. According to the provisions of the accounting standard, only the "Research and Manufacturing Service Department" qualifies under the quantitative threshold criteria as a reportable segment. Other operating departments are deemed immaterial and need not be disclosed as reportable segment including the client service group and the related new business investment.

(b) Profit or loss data of the reporting segment (including specific revenues and expenses), assets and liabilities of the segment, the basis of measurement, and the related eliminations:

The Group uses the operating profit to measure its segment profit and as the basis for assessing the segment's performance. There were no significant differences between the accounting policies of the operating segments and those described in Note (4).

The Group's operating segment information and reconciliation were as follows:

	2023			
	R&D and Manufacturing	Others	Reconciliation and eliminations	Total
Revenue:				
Revenues from external customers	$ 813,525,930	53,531,077	-	867,057,007
Segment revenues	8,113,125	662,289	(8,775,414)	-
Total revenues	**$ 821,639,055**	**54,193,366**	**(8,775,414)**	**867,057,007**
Segment profit	**$ 21,350,777**	**6,039,480**	**(3,069,563)**	**24,320,694**

	2022			
	R&D and Manufacturing	Others	Reconciliation and eliminations	Total
Revenue:				
Revenues from external customers	$ 925,447,986	59,171,170	-	984,619,156
Segment revenues	7,316,005	711,018	(8,027,023)	-
Total revenues	**$ 932,763,991**	**59,882,188**	**(8,027,023)**	**984,619,156**
Segment profit	**$ 23,098,229**	**4,373,915**	**(2,761,230)**	**24,710,914**

(Continued)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(c) Geographical information

In presenting information on the basis of geography, segment assets were based on the geographical location of the assets.

Non-current assets:

Geography	December 31, 2023	December 31, 2022
Taiwan	$ 20,471,801	16,336,862
Asia	30,043,709	40,730,000
Other countries	10,755,529	8,941,449
Total	$ 61,271,039	66,008,311

The above non-current assets included property, plant and equipment, right-of-use assets, intangible assets, and other non-current assets, but excluding Goodwill.

(d) Information about revenue from major customers

For the years ended December 31, 2023 and 2022, the amounts of sales to customers representing greater than 10% of net revenue were as follows:

	2023		2022	
Customer	Net revenue	Percentage of net revenue %	Net revenue	Percentage of net revenue %
Customer H	$ 281,698,350	32	310,161,092	32
Customer I	111,546,046	13	153,624,651	16
Customer B	92,522,385	11	80,324,785	8
Customer C	75,429,677	9	101,524,048	10

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 1 Financing to other parties
(December 31, 2023)

(TWD : expressed in thousands)

No.	Creditor	Borrower	Financial statement account	Related party	Maximum outstanding balance for the period	Ending balance	Actual amount drawn down	Interest Rate	Nature of financing (Note 2)	Amount of transaction	Reasons for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on financing granted to each borrower	Ceiling on total financing granted	Notes
0	The Company	KOE	Other receivables	Yes	2,700,000	1,500,000	1,200,000	2.00%	2	-	Operating Capital	-	-	-	10,422,411	52,112,055	(Note 1, Note 3, Note 4 and Note 16)
1	WAKS	WTZ	Other receivables	Yes	1,257,200	614,700	614,700	5.20%	2	-	Operating Capital	-	-	-	31,186,985	31,186,985	(Note 5 and Note 16)
1	WAKS	WGKS	Other receivables	Yes	694,944	-	-	1.50%	2	-	Operating Capital	-	-	-	31,186,985	31,186,985	(Note 5 and Note 16)
1	WAKS	XTRKS	Other receivables	Yes	111,240	-	-	4.00%	2	-	Operating Capital	-	-	-	31,186,985	31,186,985	(Note 5 and Note 16)
1	WAKS	WZS	Other receivables	Yes	1,108,300	1,081,075	1,081,075	3.00%	2	-	Operating Capital	-	-	-	31,186,985	31,186,985	(Note 5 and Note 16)
2	WCQ	WTZ	Other receivables	Yes	1,245,400	-	-	1.50%	2	-	Operating Capital	-	-	-	18,763,547	18,763,547	(Note 6 and Note 16)
2	WCQ	WSCQ	Other receivables	Yes	1,620,950	922,050	922,050	3.50%	2	-	Operating Capital	-	-	-	18,763,547	18,763,547	(Note 6 and Note 16)
2	WCQ	WMCQ	Other receivables	Yes	259,352	245,659	245,659	3.50%~5.20%	2	-	Operating Capital	-	-	-	18,763,547	18,763,547	(Note 6 and Note 16)
2	WCQ	WVN	Other receivables	Yes	3,688,200	3,688,200	2,305,125	3.00%~5.20%	2	-	Operating Capital	-	-	-	18,763,547	18,763,547	(Note 6 and Note 16)
2	WCQ	WSPH	Other receivables	Yes	421,447	399,555	399,555	5.32%	2	-	Operating Capital	-	-	-	18,763,547	18,763,547	(Note 6 and Note 16)
3	WCH	WGTX	Other receivables	Yes	157,150	-	-	3.50%	2	-	Operating Capital	-	-	-	-	-	(Note 7 and Note 16)
3	WCH	WIMX	Other receivables	Yes	215,362	-	-	1.50%	2	-	Operating Capital	-	-	-	-	-	(Note 7 and Note 16)
4	WCCZ	WSCZ	Other receivables	Yes	1,250,400	1,229,400	1,229,400	3.50%~6.20%	2	-	Operating Capital	-	-	-	7,941,593	7,941,593	(Note 8 and Note 16)
4	WCCZ	WVN	Other receivables	Yes	1,452,060	-	-	1.50%	2	-	Operating Capital	-	-	-	7,941,593	7,941,593	(Note 8 and Note 16)
5	WSSG	WMMI	Other receivables	Yes	3,890,280	-	-	9.87%	2	-	Operating Capital	-	-	-	-	-	(Note 9 and Note 16)
6	WMKS	XTRKS	Other receivables	Yes	333,720	324,323	324,323	4.00%	2	-	Operating Capital	-	-	-	6,233,534	6,233,534	(Note 10 and Note 16)
6	WMKS	WOSH	Other receivables	Yes	133,488	-	-	4.00%	2	-	Operating Capital	-	-	-	6,233,534	6,233,534	(Note 10 and Note 16)
6	WMKS	WRKS	Other receivables	Yes	164,323	164,323	138,378	3.00%~4.00%	2	-	Operating Capital	-	-	-	6,233,534	6,233,534	(Note 10 and Note 16)
6	WMKS	WTKS	Other receivables	Yes	354,656	345,944	216,215	3.00%~4.00%	2	-	Operating Capital	-	-	-	6,233,534	6,233,534	(Note 10 and Note 16)
7	WCHK	WSPH	Other receivables	Yes	390,676	-	-	1.50%	2	-	Operating Capital	-	-	-	3,023,342	3,023,342	(Note 11 and Note 16)
8	WCD	WTZ	Other receivables	Yes	3,890,280	3,688,200	3,688,200	1.50%~5.20%	2	-	Operating Capital	-	-	-	28,315,055	28,315,055	(Note 12 and Note 16)
9	WZS	WTZ	Other receivables	Yes	2,917,710	2,766,150	2,458,800	1.50%~5.20%	2	-	Operating Capital	-	-	-	63,333,346	63,333,346	(Note 13 and Note 16)
10	WOOK	WGKS	Other receivables	Yes	761,350	676,170	583,965	5.20%	2	-	Operating Capital	-	-	-	11,065,161	11,065,161	(Note 14 and Note 16)
11	WCL	WCHQ	Other receivables	Yes	200,000	200,000	-	2.00%	2	-	Operating Capital	-	-	-	1,037,510	4,150,041	(Note 15 and Note 16)

(Note 1) The total amount available for financing purposes shall not exceed 50% of the Company's audited or reviewed net worth; and the total amount for short-term financing shall not exceed 40% of the Company's audited or reviewed net worth.

(Note 2) Nature of financing:
1 For entities that the Company has business with.
2 For entities with short-term financing needs.

(Note 3) The limit on financing granted of the entities that the Company has business with:
(1) For entities in which the Company, directly or indirectly, owned more than 50% of their shares, the amount available for financing shall not exceed 10% of net worth of the Company.
(2) For entities in which the Company, directly or indirectly, owned below 50% of their shares, the amount available for financing shall not exceed 40% and 5% of net worth of the borrower and the Company, respectively.
(3) For other borrowers, the amount available for financing shall not exceed 25% of net worth of the borrower and 5% of net worth of the Company.

(Note 4) For entities with short-term financing needs, the amount available for financing shall not exceed 10% of net worth of the Company.

(Note 5) Subsidiary - WAKS
(1) The total amount available for financing purposes shall not exceed 50% of WAKS's audited or reviewed net worth; and the total amount for short-term financing shall not exceed 40% of WAKS's audited or reviewed net worth. However, for those subsidiaries in domestic and foreign in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WAKS's audited or reviewed net worth disclosed in the consolidated financial statements and for entities which were not located in Taiwan, the financing limits would be subject to the credit limit approved by State Administration of Foreign Exchange.
(2) For those subsidiaries in domestic and foreign with short-term financing needs which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing of each entity shall be subject to the limit of three times WAKS's audited or reviewed net worth disclosed in the consolidated financial statements.

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Notes to the Consolidated Financial Statements

(Note 6) Subsidiary - WCQ
- (1) The total amount available for financing purposes shall not exceed 50% of WCQ's audited or reviewed net worth; and the total amount for short-term financing shall not exceed 40% of WCQ's audited or reviewed net worth. However, for those subsidiaries in domestic and foreign in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WCQ's audited or reviewed net worth disclosed in the consolidated financial statements and for entities which were not located in Taiwan, the financing limits would be subject to the credit limit approved by State Administration of Foreign Exchange.
- (2) For those subsidiaries in domestic and foreign with short-term financing needs which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing of each entity shall be subject to the limit of three times WCQ's audited or reviewed net worth disclosed in the consolidated financial statements.

(Note 7) Subsidiary - WCH
- (1) The total amount available for financing purposes shall not exceed 40% of WCH's audited or reviewed net worth; and for those foreign subsidiaries in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WCH's audited or reviewed net worth disclosed in the consolidated financial statements.
- (2) For entities with short-term financing needs, the amount available for financing of each entity shall not exceed 10% of WCH's audited or reviewed net worth. However, to the foreign subsidiaries which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WCH's audited or reviewed net worth disclosed in the consolidated financial statements.

(Note 8) Subsidiary - WCCZ
- (1) The total amount available for financing purposes shall not exceed 40% of WCCZ's audited or reviewed net worth; and for the Company and those foreign subsidiaries in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WCCZ's audited or reviewed net worth disclosed in the consolidated financial statements.
- (2) For entities with short-term financing needs, the amount available for financing of each entity shall not exceed 10% of WCCZ's audited or reviewed net worth. However, to the Company and the foreign subsidiaries which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WCCZ's audited or reviewed net worth disclosed in the consolidated financial statements.

(Note 9) Subsidiary - WSSG
- (1) The total amount available for financing purposes shall not exceed 40% of WSSG's audited or reviewed net worth; and for those foreign subsidiaries in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of eight times WSSG's audited or reviewed net worth disclosed in the consolidated financial statements.
- (2) For entities with short-term financing needs, the amount available for financing of each entity shall not exceed 10% of WSSG's audited or reviewed net worth. However, to the foreign subsidiaries which the Company, directly or indirectly, owned 100% of their shares, the amount available for financingshall be subject to the limit of eight times WSSG's audited or reviewed net worth disclosed in the consolidated financial statements.

(Note 10) Subsidiary - WMKS
- (1) The total amount available for financing purposes shall not exceed 50% of WMKS's audited or reviewed net worth; and the total amount for short-term financing shall not exceed 40% of WMKS's audited or reviewed net worth. However, for those subsidiaries in domestic and foreign in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WMKS's audited or reviewed net worth disclosed in the consolidated financial statements and for entities which were not located in Taiwan, the financing limits would be subject to the credit limit approved by State Administration of Foreign Exchange.
- (2) For those subsidiaries in domestic and foreign with short-term financing needs which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing of each entity shall be subject to the limit of three times WMKS's audited or reviewed net worth disclosed in the consolidated financial statements.

(Note 11) Subsidiary - WCHK
- (1) The total amount available for financing purposes shall not exceed 40% of WCHK's audited or reviewed net worth; and for those foreign subsidiaries in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WCHK's audited or reviewed net worth disclosed in the consolidated financial statements.
- (2) For entities with short-term financing needs, the amount available for financing of each entity shall not exceed 10% of WCHK's audited or reviewed net worth. However, to the foreign subsidiaries which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WCHK's audited or reviewed net worth disclosed in the consolidated financial statements.

(Note 12) Subsidiary - WCD
- (1) The total amount available for financing purposes shall not exceed 50% of WCD's audited or reviewed net worth; and the total amount for short-term financing shall not exceed 40% of WCD's audited or reviewed net worth. However, for those subsidiaries in domestic and foreign in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WCD's audited or reviewed net worth disclosed in the consolidated financial statements and for entities which were not located in Taiwan, the financing limits would be subject to the credit limit approved by State Administration of Foreign Exchange.
- (2) For those subsidiaries in domestic and foreign with short-term financing needs which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing of each entity shall be subject to the limit of three times WCD's audited or reviewed net worth disclosed in the consolidated financial statements.

(Note 13) Subsidiary - WZS
- (1) The total amount available for financing purposes shall not exceed 50% of WZS's audited or reviewed net worth; and the total amount for short-term financing shall not exceed 40% of WZS's audited or reviewed net worth. However, for those subsidiaries in domestic and foreign in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WZS's audited or reviewed net worth disclosed in the consolidated financial statements and for entities which were not located in Taiwan, the financing limits would be subject to the credit limit approved by State Administration of Foreign Exchange.
- (2) For those subsidiaries in domestic and foreign with short-term financing needs which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing of each entity shall be subject to the limit of three times WZS's audited or reviewed net worth disclosed in the consolidated financial statements.

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WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(Note 14) Subsidiary - WOOK
- (1) The total amount available for financing purposes shall not exceed 50% of WOOK's audited or reviewed net worth; and the total amount for short-term financing shall not exceed 40% of WOOK's audited or reviewed net worth. However, for those subsidiaries in domestic and foreign in which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing shall be subject to the limit of three times WOOK's audited or reviewed net worth disclosed in the consolidated financial statements and for entities which were not located in Taiwan, the financing limits would be subject to the credit limit approved by State Administration of Foreign Exchange.
- (2) For those subsidiaries in domestic and foreign with short-term financing needs which the Company, directly or indirectly, owned 100% of their shares, the amount available for financing of each entity shall be subject to the limit of three times WOOK's audited or reviewed net worth disclosed in the consolidated financial statements.

(Note 15) Subsidiary - WCL
- (1) The total amount for short-term financing shall not exceed 40% of WCL's audited or reviewed net worth.
- (2) For entities with short-term financing needs, the amount available for financing of each entity shall not exceed 10% of WCL's audited or reviewed net worth in the consolidated financial statements.

(Note 16) The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 2 Guarantees and endorsements for other parties
(December 31, 2023)

(TWD : expressed in thousands)

No.	Endorser / Guarantor	Party being endorsed/guaranteed		Limits on endorsements/ guarantees provided to each entity (Note 2), (Note 4) and (Note 8)	Maximum outstanding balance for the period	Ending balance	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee to net asset value of the endorser / guarantor	Ceiling on total amount of endorsements / guarantees provided (Note 1), (Note 3) and (Note 8)	Endorsement / guarantees provided by parent company	Endorsement / guarantees provided by a subsidiary	Endorsement / guarantees provided to the party in Mainland China	Note
		Name	Relationship with the company (Note 9)											
0	The Company	WJP	2	31,267,233	816,960	542,250	542,250	-	0.52%	104,224,111	Y	N	N	(Note 10)
0	The Company	Cowin (Note 5)	2	31,267,233	32,419	30,735	30,735	-	0.03%	104,224,111	Y	N	N	(Note 10)
0	The Company	WZS shared with WAKS (Note 5)	2	31,267,233	64,838	61,470	61,470	-	0.06%	104,224,111	Y	N	Y	(Note 10)
0	The Company	WCCZ	2	31,267,233	503,088	492,512	492,512	-	0.47%	104,224,111	Y	N	N	(Note 10)
0	The Company	WBR	2	31,267,233	907,732	860,580	860,580	-	0.83%	104,224,111	Y	N	N	(Note 10)
0	The Company	WIN	2	31,267,233	2,188,283	2,074,613	1,767,263	-	1.99%	104,224,111	Y	N	N	(Note 10)
0	The Company	WSSG	2	31,267,233	8,422,760	6,269,940	6,269,940	-	6.02%	104,224,111	Y	N	N	(Note 10)
0	The Company	WTX	2	31,267,233	2,102,364	1,413,810	1,413,810	-	1.36%	104,224,111	Y	N	N	(Note 10)
0	The Company	WGTX	2	31,267,233	826,685	768,375	614,700	-	0.74%	104,224,111	Y	N	N	(Note 10)
0	The Company	WTZ	2	31,267,233	3,602,748	1,488,858	1,488,858	-	1.43%	104,224,111	Y	N	Y	(Note 10)
0	The Company	WSMX	2	31,267,233	648,380	614,700	614,700	-	0.59%	104,224,111	Y	N	N	(Note 10)
0	The Company	WGKS	2	31,267,233	194,514	184,410	184,410	-	0.18%	104,224,111	Y	N	Y	(Note 10)
0	The Company	WCCZ shared with WSCZ	2	31,267,233	1,653,369	1,567,485	1,567,485	-	1.50%	104,224,111	Y	N	N	(Note 10)
0	The Company	WMKS shared with WTZ and WGKS	2	31,267,233	614,800	-	-	-	-	104,224,111	Y	N	Y	(Note 10)
0	The Company	WTR	2	31,267,233	32,419	30,735	30,735	-	0.03%	104,224,111	Y	N	N	(Note 10)
0	The Company	WCH	2	31,267,233	38,458	-	-	-	-	104,224,111	Y	N	N	(Note 10)
0	The Company	AGI	2	31,267,233	872,000	872,000	472,000	-	0.84%	104,224,111	Y	N	N	(Note 10)
0	The Company	WSCQ	2	31,267,233	3,154,522	2,637,906	2,023,206	-	2.53%	104,224,111	Y	N	Y	(Note 10)
0	The Company	WCHQ	2	31,267,233	185,000	185,000	135,000	-	0.18%	104,224,111	Y	N	N	(Note 10)
0	The Company	WSCQ shared with WMCQ	2	31,267,233	486,285	461,025	461,025	-	0.44%	104,224,111	Y	N	Y	(Note 10)
0	The Company	WMMI shared with WIN	2	31,267,233	1,936,080	1,536,750	614,700	-	1.47%	104,224,111	Y	N	N	(Note 10)
0	The Company	WLB	2	31,267,233	400,000	200,000	200,000	-	0.19%	104,224,111	Y	N	N	(Note 10)
0	The Company	WCL	2	31,267,233	1,200,000	600,000	600,000	-	0.58%	104,224,111	Y	N	N	(Note 10)
0	The Company	WMMI	2	31,267,233	7,294,833	6,916,695	5,440,095	-	6.64%	104,224,111	Y	N	N	(Note 10)
0	The Company	WMMY	2	31,267,233	9,114,700	5,071,275	4,241,430	-	4.87%	104,224,111	Y	N	N	(Note 10)
0	The Company	WITT	2	31,267,233	1,068,620	891,315	891,315	-	0.86%	104,224,111	Y	N	N	(Note 10)
0	The Company	WETW	2	31,267,233	175,000	175,000	175,000	-	0.17%	104,224,111	Y	N	N	(Note 10)
0	The Company	WVN	2	31,267,233	9,005,355	9,005,355	4,149,225	-	8.64%	104,224,111	Y	N	N	(Note 10)
0	The Company	WIMX	2	31,267,233	6,483,800	6,147,000	4,917,600	-	5.90%	104,224,111	Y	N	N	(Note 10)
0	The Company	WIS	2	31,267,233	145,886	138,308	138,308	-	0.13%	104,224,111	Y	N	N	(Note 10)
0	The Company	XTRKS	2	31,267,233	2,935,274	2,651,069	1,137,195	-	2.54%	104,224,111	Y	N	Y	(Note 10)
0	The Company	WSPH shared with WCCZ, WMX , WITX , WSSG and WMMY(Note 6)	2	31,267,233	1,406,700	1,383,075	756,081	-	1.33%	104,224,111	Y	N	N	(Note 10)
0	The Company	WAKS shared with WZS, WCD and WCQ(Note 6)	2	31,267,233	937,800	922,050	504,054	-	0.88%	104,224,111	Y	N	Y	(Note 10)
1	WYHQ	WYMX	2	12,670,215	1,432,086	1,357,697	1,357,697	29,608	3.21%	21,117,026	Y	N	N	(Note 10)
1	WYHQ	WYUS	2	12,670,215	86,034	55,275	55,275	-	0.13%	21,117,026	Y	N	N	(Note 10)
1	WYHQ	WYMY	2	12,670,215	141	-	-	-	-	21,117,026	Y	N	N	(Note 10)

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(Note 1) The total amount for guarantees and endorsements provided by the Company to other entities shall not exceed the Company's audited or reviewed net worth.

(Note 2) The amount for guarantees and endorsements provided by the Company to any individual entity shall not exceed 30% of the Company's audited or reviewed net worth.

(Note 3) The total amount for guarantees and endorsements provided by the Company and its subsidiaries to other entities shall not exceed the Company's audited or reviewed net worth.

(Note 4) The amount for guarantees and endorsements provided by the Company and its subsidiaries to any individual entity shall not exceed 30% of the Company's audited or reviewed net worth.

(Note 5) The credit line shared by Cowin, WZS and WAKS amounted to USD3,000,000.

(Note 6) The credit line shared by WSPH, WCCZ, WMX, WITX, WSSG, WMMY, WAKS, WZS, WCD and WCQ amounted to USD75,000,000.

(Note 7) Since the Board of Directors of the Company approved the quota to be renewed in advance, a total of TWD922,050 is a double-counted quota.

(Note 8) Due to WYHQ's Operation Procedure for Guarantees and Endorsements:
1. The total amount for guarantees and endorsements provided by WYHQ to other entities shall not exceed 50% of the WYHQ's audited or reviewed net worth.
2. The amount for guarantees and endorsements provided by WYHQ to any individual entity shall not exceed 30% of the WYHQ's audited or reviewed net worth.
3. The total amount for guarantees and endorsements provided by WYHQ and its subsidiaries to other entities shall not exceed 50% of the WYHQ's audited or reviewed net worth.
4. The amount of guarantees and endorsements provided by WYHQ and its subsidiaries to any individual entity shall not exceed 30% of the WYHQ's audited or reviewed net worth.

(Note 9) Relationship with the Company:
1. An entity with which the guarantor did business.
2. An entity in which the guarantor directly and indirectly owned more than 50% of the voting shares.
3. An entity that directly and indirectly owned more than 50% of the voting shares in the guarantor.
4. The entities in which the guarantor owned, directly or indirectly, 90% or more of the voting shares.
5. Fulfillment of contractual obligations by providing mutual endorsements and guarantees for peer or joint builders in order to undertake a construction project.
6. An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
7. The entities in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

(Note 10) The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

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Securities held by	Category and name of securities		Relationship	Financial statement account	December 31, 2023				Highest percentage of shares during the period	Note
					Number of shares	Book value	Percentage of Ownership	Fair Value		
The Company	Super Dragon Technology Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	5,676	138,495	5.50%	138,495	5.50%	-
The Company	Global Lighting Technologies Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	20,914	1,091,734	16.23%	1,091,734	16.23%	-
The Company	ARBOR Technology Corp.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,679	223,169	4.90%	223,169	5.00%	-
The Company	AOpen Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	326	20,807	0.46%	20,807	2.10%	-
The Company	FineMat Applied Materials Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,589	141,578	6.91%	141,578	6.91%	-
The Company	Clientron Corp.	Stock	-	Non-current financial assets at fair value through other comprehensive income	917	14,210	1.44%	14,210	1.44%	-
The Company	Plexbio Corporation, LTD	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,227	17,306	1.18%	17,306	1.18%	-
The Company	Howe advanced Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,000	-	13.91%	-	13.91%	-
The Company	ABC-KY	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,075	52,497	2.54%	52,497	2.54%	-
The Company	Lilee Systems, Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	3,528	-	29.51%	-	29.51%	-
The Company	Zeo, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	779	-	6.57%	-	6.57%	-
The Company	Janus Technologies, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	864	-	4.01%	-	4.01%	-
The Company	Vmedia Research	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,000	-	7.69%	-	7.69%	-
The Company	Tube Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	17,009	105,080	18.19%	105,080	20.73%	-
The Company	Tactus Technology Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	7	-	0.06%	-	0.06%	-
The Company	Videri Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	226	4,785	2.33%	4,785	3.17%	-
The Company	Scenera, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	645	-	5.21%	-	11.42%	-
The Company	Marvell Technology, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	87	159,940	0.01%	159,940	0.01%	-
The Company	Master Transportation Bus Manufactoring Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,375	151,323	5.46%	151,323	5.52%	-
The Company	AVIZ Networks Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	3,781	-	6.65%	-	6.72%	-
The Company	EV Motors Japan Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	-	53,038	1.99%	53,038	2.31%	-
The Company	Alchip Technologies, Limited	Stock	-	Non-current financial assets at fair value through other comprehensive income	690	1,528,350	0.93%	1,528,350	0.94%	-
The Company	Princeton Nuenergy Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	232	84,950	11.30%	84,950	11.30%	-
The Company	IP Fund Six Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,634	52,223	10.71%	52,223	10.72%	-
The Company	Corsa Fund 2012, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	15,956	17.96%	15,956	20.00%	-
The Company	Jafco AT Fund VI L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	52,517	6.67%	52,517	6.67%	-
The Company	Fenox Venture Company XIV, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	-	99.00%	-	99.00%	-
The Company	Vertex V (C.I.) Fund L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	281,404	2.57%	281,404	2.57%	-
The Company	China Renewable Energy Fund, LP	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	671,333	9.01%	671,333	9.01%	-
The Company	JAFCO Taiwan I Venture Capital L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	127,525	4.99%	127,525	4.99%	-
The Company	JAFCO Taiwan II Venture Capital L. P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	36,167	4.81%	36,167	9.21%	-
The Company	AVIZ Networks Inc.	Bond	-	Non-current financial assets at fair value through profit or loss	-	47,794	-	47,794	-	-
AIIH	Advance Powered & Energy Semiconductor, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	23,375	-	19.26%	-	19.26%	-
FPTC	UNITED MONEY MARKET FUND-CLASS C	Fund	-	Current financial assets at fair value through profit or loss	1,677	6,003	-	6,003	-	-
ISL	Taishin 1699 Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	6,862	95,671	-	95,671	-	-
KOE	TCB Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	15,364	160,005	-	160,005	-	-
WAC	Taishin 1699 Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	865	12,056	-	12,056	-	-
WCA	Taishin 1699 Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	36,095	503,261	-	503,261	-	-
WCA	TCB Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	9,612	100,100	-	100,100	-	-
WCHK	Broadcom, Inc.	Stock	-	Current financial assets at fair value through profit or loss	11	383,837	-	383,837	-	-
WCHK	Dell technologies Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	204	478,795	0.03%	478,795	0.03%	-

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Securities held by	Category and name of securities		Relationship	Financial statement account	December 31, 2023				Highest percentage of shares during the period	Note
					Number of shares	Book value	Percentage of Ownership	Fair Value		
WCL	Taishin 1699 Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	31,194	434,923	-	434,923	-	-
WCL	Taishin Ta-Chong Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	44,303	647,220	-	647,220	-	-
WCL	Howe advanced Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	500	-	1.74%	-	1.74%	-
WCL	Clientron Corp.	Stock	-	Non-current financial assets at fair value through other comprehensive income	626	9,705	0.98%	9,705	0.98%	-
WCL	Vmedia Research	Stock	-	Non-current financial assets at fair value through other comprehensive income	324	-	1.25%	-	1.25%	-
WCL	ARBOR Technology Corp.	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,005	81,928	2.10%	81,928	2.10%	-
WCL	Umbo CV Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,467	-	4.06%	-	4.06%	-
WCL	ABC-KY	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,725	43,631	2.11%	43,631	2.11%	-
WCL	Formosoft International Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	365	-	13.95%	-	13.95%	-
WCL	feelthebeat Holdings Limited	Stock	-	Non-current financial assets at fair value through other comprehensive income	13	-	7.69%	-	9.29%	-
WCL	FineMat Applied Materials Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	302	9,319	0.45%	9,319	0.45%	-
WCL	Bioinspira, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,710	2,459	17.19%	2,459	17.19%	-
WCL	Unity Opto Technology co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	5,263	-	1.14%	-	1.14%	-
WCL	AVerMedia Information, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	495	23,612	0.53%	23,612	0.53%	-
WCL	Neuchips Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	5,167	161,339	5.63%	161,339	5.63%	-
WCL	FunNow Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,819	69,478	2.18%	69,478	3.33%	-
WCL	Ganzin Technology, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,000	2,538	6.51%	2,538	6.78%	-
WCL	SMARTUQ LLC	Stock	-	Non-current financial assets at fair value through other comprehensive income	23	541	6.64%	541	6.64%	-
WCL	Gemini data, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	16,140	-	7.31%	-	7.31%	-
WCL	Aiello Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	22,778	23,097	10.96%	23,097	11.99%	-
WCL	Yallvend Co., Ltd	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,200	5,555	3.91%	5,555	3.95%	-
WCL	H2 Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,557	4,716	3.65%	4,716	4.31%	-
WCL	Minutri Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	851	38,435	8.13%	38,435	8.53%	-
WCL	JelloX Biotech Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	10,000	6,130	4.12%	6,130	4.12%	-
WCL	Remex Medical Corp.	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,308	57,865	13.54%	57,865	13.54%	-
WCL	AuthMe Holding Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	750	47,247	9.07%	47,247	9.07%	-
WCL	APPWORKS FUND II CO., LTD.	Stock	-	Non-current financial assets at fair value through other comprehensive income	3,267	80,012	8.15%	80,012	8.15%	-
WCL	APPWORKS FUND III CO., LTD.	Stock	-	Non-current financial assets at fair value through other comprehensive income	20,124	191,663	7.00%	191,663	7.00%	-
WCL	Fund VII L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	82,432	12.50%	82,432	12.50%	-
WCL	500 Startups V, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	184,277	3.57%	184,277	3.57%	-
WCL	Vertex Israel Opportunity II Fund, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	72,416	2.02%	72,416	2.02%	-
WCL	Vertex VI Fund L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	51,452	1.31%	51,452	1.31%	-
WCL	IT-Farm J-Tech Fund Investment Limited	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	24,974	13.64%	24,974	16.67%	-
WCL	ACV CAPITAL III L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	108,322	1.46%	108,322	1.46%	-
WCL	Cherubic Ventures Fund V, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	103,307	2.73%	103,307	2.73%	-
WCL	AVV Alpha, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	20,919	3.33%	20,919	3.33%	-
WCL	Storm Ventures Fund VII, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	24,729	2.18%	24,729	2.46%	-
WCL	APPWORKS FUND IV L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	68,929	16.90%	68,929	16.90%	-
WCL	Grove Opportunity Fund I, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	26,215	6.66%	26,215	6.66%	-
WCL	Vertex Ventures (SG) SEA V LP	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	4,683	0.83%	4,683	0.84%	-
WCL	ACV Capital V L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	59,001	4.21%	59,001	5.29%	-

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					Number of shares	Book value	Percentage of Ownership	Fair Value		
WCL	Thin Line Capital Fund II, LP	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	12,599	14.10%	12,599	14.10%	-
WCL	500 GLOBAL FLAGSHIP VI, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	48,755	2.00%	48,755	2.00%	-
WCL	InfuseAI, INC	SAFE	-	Non-current financial assets at fair value through profit or loss	-	3,897	-	3,897	-	-
WCL	MeandMine INCORPORATED	SAFE	-	Non-current financial assets at fair value through profit or loss	-	16,403	-	16,403	-	-
WCL	Smart Ageing Tech Co., Ltd.	Bond	-	Non-current financial assets at fair value through profit or loss	-	30,000	-	30,000	-	-
WCQ	CHINA BOHAI BANK CO., LTD.- Bohai Bank Structural Deposit-RMB Financial Product	Structured deposit	-	Current financial assets at fair value through profit or loss	-	129,920	-	129,920	-	-
WDH	Taishin 1699 Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	28,835	402,032	-	402,032	-	-
WDH	MOBAGEL, INC	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,121	61,386	6.58%	61,386	6.74%	-
WDH	InfuseAI, INC	Stock	-	Non-current financial assets at fair value through other comprehensive income	82	-	8.73%	-	8.73%	-
WDH	International Trust Machines Corporation	Stock	-	Non-current financial assets at fair value through other comprehensive income	6,000	4,308	4.96%	4,308	4.99%	-
WDH	MeandMine INCORPORATED	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,469	4,921	9.15%	4,921	11.24%	-
WDH	OmniEyes Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,683	22,483	8.91%	22,483	8.91%	-
WGEH	Taishin 1699 Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	10,869	151,540	-	151,540	-	-
Win Smart	KEEN HIGH TECHNOLOGIES LIMITED.	Stock	-	Non-current financial assets at fair value through other comprehensive income	8,716	-	15.17%	-	15.17%	-
WIS	FUBON CHI-HSIANG MONEY MARKET FUND	Fund	-	Current financial assets at fair value through profit or loss	15,538	250,202	-	250,202	-	-
WLB	Taishin 1699 Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	66,351	925,099	-	925,099	-	-
WMH	Taishin 1699 Money Market Fund	Fund	-	Current financial assets at fair value through profit or loss	10,102	140,853	-	140,853	-	-
WMH	Aidmics Biotechnology(Cayman) Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	15,000	11,520	16.67%	11,520	16.67%	-
WMH	Apollo Medical Optics Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	8,935	32,891	18.65%	32,891	18.65%	-
WMH	Hukui Biotechnology Corporation	Stock	-	Non-current financial assets at fair value through other comprehensive income	375	-	9.93%	-	9.93%	-
WMH	Spartan Bioscience Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,691	-	3.11%	-	3.11%	-
WMH	Plexbio Corporation, LTD	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,500	21,150	1.45%	21,150	1.45%	-
WMH	DIAGNOSTICS FOR THE REAL WORLD LIMITED	Stock	-	Non-current financial assets at fair value through other comprehensive income	267	162,011	4.80%	162,011	4.80%	-
WMH	aniWEAR Company Limited	Stock	-	Non-current financial assets at fair value through other comprehensive income	2	-	7.93%	-	7.96%	-
WMH	VSENSE CO., LTD.	Stock	-	Non-current financial assets at fair value through other comprehensive income	700	-	3.95%	-	3.95%	-
WMH	Darmiyan, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	124	-	0.36%	-	0.36%	-
WMH	JelloX Biotech Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	15,000	9,195	6.17%	9,195	8.33%	-
WMH	Smart Ageing Tech Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,800	-	5.31%	-	5.58%	-
WMH	Hikari Fund L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	25,565	12.00%	25,565	12.00%	-
WMH	Pacific 8 Ventures fund I, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	313,616	17.82%	313,616	17.82%	-
WMH	Pacific 8 Ventures fund II, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	77,624	10.00%	77,624	10.00%	-
WMH	B-Temia_DN	Bond	-	Non-current financial assets at fair value through profit or loss	-	25,805	-	25,805	-	-

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Table 4 Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Securities held by	Category and name of securities		Financial statement account	Counter - party	Relationship with the investor	Beginning balance		Addition		Disposal				Ending balance		Note
						Shares/ Units	Amount	Shares/ Units	Amount	Shares/ Units	Amount	Book value	Gain/Loss on Disposal	Shares/ Units	Amount	
The Company	WLLC	Stock	Equity-accounted investees	(Note 2)	subsidiary	8,936	3,599,681	2,000	601,200	-	-	-	-	10,936	4,287,709	(Note 1)
The Company	WSPH	Stock	Equity-accounted investees	(Note 2)	subsidiary	139,567	26,652	825,000	466,637	-	-	-	-	964,567	499,552	(Note 1)
The Company	WIMX	Stock	Equity-accounted investees	(Note 2)	subsidiary	133,410	1,134,354	771,942	1,418,035	-	-	-	-	905,352	2,570,869	(Note 1)
The Company	WVN	Stock	Equity-accounted investees	(Note 2)	subsidiary	-	1,340,224	-	1,437,584	-	-	-	-	-	2,745,599	(Note 1)
The Company	WCA	Stock	Equity-accounted investees	(Note 2)	subsidiary	170,000	1,697,225	100,000	1,000,000	-	-	-	-	270,000	2,703,658	(Note 1)
The Company	WNC	Stock	Equity-accounted investees	(Note 2)	-	89,675	4,598,489	6,414	679,922	-	-	-	-	96,089	6,347,053	-
The Company	Alchip Technologies, Limited	Stock	Non-current financial assets at fair value through other comprehensive income	-	-	-	-	690	999,120	-	-	-	-	690	1,528,350	-
The Company	Alpha Networks Inc.	Stock	Non-current financial assets at fair value through other comprehensive income	-	-	19,328	545,044	-	-	19,328	752,575	670,662	81,912	-	-	-
WCL	WYHQ	Stock	Equity-accounted investees	(Note 3)	subsidiary	4,321	958,427	-	-	545	812,384	125,035	687,350	3,776	911,833	(Note 1)
WLB	WYHQ	Stock	Equity-accounted investees	(Note 3)	subsidiary	5,739	1,272,990	-	-	545	812,539	125,794	686,744	5,194	1,254,774	(Note 1)
WLLC	WITT	Stock	Equity-accounted investees	(Note 2)	subsidiary	3,951	1,210,272	2,000	601,200	-	-	-	-	5,951	1,827,761	(Note 1)
WSSG	WMMI	Stock	Equity-accounted investees	(Note 2)	subsidiary	710,507	647,235	653,022	4,097,933	-	-	-	-	1,363,529	1,657,376	(Note 1)
WYHQ	WYUS	Stock	Equity-accounted investees	(Note 2)	subsidiary	569,010	18,136,234	400,000	12,320,000	-	-	-	-	969,010	30,792,233	(Note 1)
WYHQ	WYMY	Stock	Equity-accounted investees	(Note 2)	subsidiary	336,764	2,304,502	231,628	1,539,208	-	-	-	-	568,392	3,634,746	(Note 1)
WYHQ	WYMX	Stock	Equity-accounted investees	(Note 2)	subsidiary	769,675	1,410,512	344,086	614,580	-	-	-	-	1,113,761	2,884,214	(Note 1)
WAKS	Luxshare Precision Industry Co., Ltd.	Stock	Current financial assets at fair value through profit or loss	-	-	13,158	1,846,513	-	-	13,158	1,748,496	1,806,756	(59,097)	-	-	-
WCD	Luxshare Precision Industry Co., Ltd.	Stock	Current financial assets at fair value through profit or loss	-	-	11,278	1,582,726	-	-	11,278	1,499,687	1,548,645	(49,661)	-	-	-
WCQ	Luxshare Precision Industry Co., Ltd.	Stock	Current financial assets at fair value through profit or loss	-	-	13,158	1,846,514	-	-	13,158	1,749,635	1,806,753	(57,938)	-	-	-
WZS	Luxshare Precision Industry Co., Ltd.	Stock	Current financial assets at fair value through profit or loss	-	-	18,797	2,637,876	-	-	18,797	2,497,852	2,581,080	(84,424)	-	-	-
KOE	Taishin 1699 Money Market Fund	Fund	Current financial assets at fair value through profit or loss	-	-	-	-	37,354	518,000	37,354	518,672	518,000	672	-	-	-
WCA	Taishin 1699 Money Market Fund	Fund	Current financial assets at fair value through profit or loss	-	-	-	-	36,095	500,000	-	-	-	-	36,095	503,261	-
WCL	Taishin 1699 Money Market Fund	Fund	Current financial assets at fair value through profit or loss	-	-	-	-	91,783	1,270,500	60,589	841,500	837,753	3,747	31,194	434,923	-
WCL	Taishin Ta-Chong Money Market Fund	Fund	Current financial assets at fair value through profit or loss	-	-	-	-	44,303	646,000	-	-	-	-	44,303	647,220	-
WDH	Taishin 1699 Money Market Fund	Fund	Current financial assets at fair value through profit or loss	-	-	-	-	28,835	400,000	-	-	-	-	28,835	402,032	-
WIS	FUBON CHI-HSIANG MONEY MARKET FUND	Fund	Current financial assets at fair value through profit or loss	-	-	-	-	36,627	588,693	21,089	339,181	338,500	681	15,538	250,202	-
WLB	Taishin 1699 Money Market Fund	Fund	Current financial assets at fair value through profit or loss	-	-	-	-	71,982	996,800	5,631	78,062	78,000	62	66,351	925,099	-
WAKS	FUBON BANK (CHINA) CO.,LTD-SDRMBC(Suzhou) Structured deposits-RMB Financial Product	Structured deposit	Current financial assets at fair value through profit or loss	-	-	-	-	-	518,916	-	520,314	518,916	1,418	-	-	-
WCD	FUBON BANK (CHINA) CO.,LTD-SDRMBC Structured deposits-RMB Financial Product	Structured deposit	Current financial assets at fair value through profit or loss	-	-	-	-	-	735,131	-	737,402	735,131	2,303	-	-	-
WCD	CHINA BOHAI BANK CO., LTD.- Bohai Bank Structural Deposit-RMB Financial Product	Structured deposit	Current financial assets at fair value through profit or loss	-	-	-	-	-	2,650,796	-	2,660,881	2,650,796	10,230	-	-	-
WCQ	CHINA BOHAI BANK CO., LTD.- Bohai Bank Structural Deposit-RMB Financial Product	Structured deposit	Current financial assets at fair value through profit or loss	-	-	-	-	-	5,059,431	-	4,944,111	4,929,702	14,616	-	129,920	-
WCQ	FUBON BANK (CHINA) CO.,LTD-SDRMBC(Chongqing) Structured deposits-RMB Financial Product	Structured deposit	Current financial assets at fair value through profit or loss	-	-	-	-	-	562,159	-	563,675	562,159	1,538	-	-	-
WMKS	FUBON BANK (CHINA) CO.,LTD-SDRMBC(Suzhou) Structured deposits-RMB Financial Product	Structured deposit	Current financial assets at fair value through profit or loss	-	-	-	-	-	985,940	-	991,164	985,940	5,319	-	-	-
WTZS	FUBON BANK (CHINA) CO.,LTD-SDRMBC(Suzhou) Structured deposits-RMB Financial Product	Structured deposit	Current financial assets at fair value through profit or loss	-	-	-	-	-	670,267	-	672,910	670,267	2,692	-	-	-
WZS	FUBON BANK (CHINA) CO.,LTD-SDRMBC(Suzhou) Structured deposits-RMB Financial Product	Structured deposit	Current financial assets at fair value through profit or loss	-	-	-	-	-	5,037,810	-	5,051,751	5,037,810	14,142	-	-	-

(Note 1) The aforementioned inter-company transactions were eliminated in the consolidated financial statements.
(Note 2) The entity issued ordinary shares for cash.
(Note 3) The Company disposed the equity-accounted investees.

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 5 Acquisition of real estate with amount exceeding the lower of NT$300 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Company name	Type of property	Transaction Date	Transaction Amount	Payment Term	Counter-party	Relationships	Prior Transaction of Related Counter-party				Price Reference	Purpose of Acquisition	Other Terms
							Owner	Relationships	Transfer Date	Amount			
The Company	Zhubei International AI Smart Park	2021/3/23	6,700,000	payment:49%	Li Jin Engineering Co., Ltd., Ingenious Engineering Corp., Huan Mei International Co., Ltd. etc.	-	-	-	-	-	Not applicable because of engaging others to build on its lease land	For future operation	-
KOE	Property, plant and equipment-Plant	2021/12/15	3,339,240	payment:6%	Li Jin Engineering Co., Ltd.,	-	-	-	-	-	Not applicable because of engaging others to build on its lease land	For future operation	-
KOE	Property, plant and equipment-Mechanical and electrical engineering	2022/11/16	383,250	payment:100%	Aircare Engineering Corp.	-	-	-	-	-	Not applicable	For future operation	-
WCL	Property, plant and equipment-Dormitories and office buildings	2022/4/20	2,125,000	payment:13%	Truedreams Construction CO., LTD	-	-	-	-	-	Not applicable because of engaging others to build on its lease land	For future operation	-
WIMX	Property, plant and equipment-Land	2021/3/23	436,744	payment:100%	VESTA BAJA CALIFORNIA, SOCIEDAD DE RESPONSABILIDAD LIMITADA DE CAPITAL VARIABLE	-	-	-	-	-	Refer to appraisal report issued by professional appraiser	For future operation	-
WIMX	Property, plant and equipment-Plant	2021/3/23	2,237,508	payment:89%	COPACHISA SA DE CV	-	-	-	-	-	Not applicable because of engaging others to build on its own land	For future operation	-
WVN	Property, plant and equipment-Plant	2022/9/30	2,502,295	payment:96%	Jianxing Vietnam Construction Development Company Limited, Sheng Huei Engineering Technology Company Limited	-	-	-	-	-	Not applicable because of engaging others to build on its lease land	For future operation	-
WYMY	Property, plant and equipment-Land	2021/9/16	307,504	payment:100%	SENAI AIRPORT CITY SDN. BHD.	-	-	-	-	-	Refer to appraisal report issued by professional appraiser	For future operation	-
WYMY	Property, plant and equipment-Land	2021/9/16	187,901	payment:100%	SENAI AIRPORT CITY SDN. BHD.	-	-	-	-	-	Refer to appraisal report issued by professional appraiser	For future operation	-
WYMY	Property, plant and equipment-Plant	2022/3/23	884,074	payment:97%	HWA HIN SDN BHD	-	-	-	-	-	Not applicable because of engaging others to build on its own land	For future operation	-
WYMY	Property, plant and equipment-Plant	2022/8/15	2,185,795	payment:54%	HWA HIN SDN BHD	-	-	-	-	-	Not applicable because of engaging others to build on its own land	For future operation	-

(Note): The current transaction amount is based on the estimated price of the capital budget approved by the Board of Directors. However, the actual amount will be based on the price stated in the agreement.

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Table 6 Disposition of real estate with amount exceeding the lower of NT$300 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Company name	Type of property	Transaction Amount	Acquisition Date	Book value	Transaction Amount	Amount actually receivable	Gain from disposal	Counter-party	Nature of Relationships	Purpose of disposal	Price Reference	Other Terms
WMMY	Property, plant and equipment-Land	2023/9/14	2021/5/20	671,644	-	-	-	NXP MALAYSIA SDN. BHD.	-	No furture operational needs	Refer to the appraisal report issued by professional appraiser	-
WMMY	Property, plant and equipment-Plant	2023/9/14	2021/5/20	353,500	-	-	-	NXP MALAYSIA SDN. BHD.	-	No furture operational needs	Refer to the appraisal report issued by professional appraiser	-

(Note): In September 2023, the Company's Board of Directors resolved to dispose a portion of property, plant and equipment of Wistron Technology (Malaysia) Sdn. Bhd. (WMMY), a subsidiary of the Group, at the factory located in the Malaysia Free Trade Area, wherein the relevant sales procedures were still in progress as of the reporting date.

WISTRON CORPORATION AND SUBSIDIARIES
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Table 7 Total purchases from or sales to related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Purchaser/Seller	Related Party	Relationship	Transaction				Differences in transaction terms compared to third party transactions		Note and trade receivables (payables)		Note
			Purchase/Sales	Amount	Percentage of total purchases / sales	Credit term	Unit price	Payment Terms	Balance	Percentage of total note and trade receivables (payables)	
The Company	WJP	Subsidiary	Sales	1,631,530	0.26%	OA90	-	-	730,630	0.31%	(Note)
The Company	WTX	Subsidiary	Sales	2,564,073	0.40%	OA90	-	-	1,312,149	0.55%	(Note)
The Company	WMKS	Subsidiary	Sales	780,338	0.12%	OA90	-	-	448,236	0.19%	(Note)
The Company	WZS	Subsidiary	Sales	1,401,869	0.22%	OA90	-	-	10,585,516	4.43%	(Note)
The Company	WITX	Subsidiary	Sales	39,289,631	6.19%	OA150	-	-	25,576,530	10.70%	(Note)
The Company	WSCZ	Subsidiary	Sales	1,628,942	0.26%	OA90	-	-	461,447	0.19%	(Note)
The Company	WSSG	Subsidiary	Sales	1,012,099	0.16%	OA90	-	-	436,582	0.18%	(Note)
The Company	WMT	Subsidiary	Sales	413,172	0.07%	OA90	-	-	161,098	0.07%	(Note)
The Company	WIS	Subsidiary	Sales	1,031,545	0.16%	OA60	-	-	359,109	0.15%	(Note)
The Company	WMMY	Subsidiary	Sales	17,100,949	2.69%	OA90	-	-	30,934,648	12.94%	(Note)
The Company	WMMI	Subsidiary	Sales	3,024,571	0.48%	OA180	-	-	23,903,919	10.00%	(Note)
The Company	KOE	Subsidiary	Sales	236,353	0.04%	OA60	-	-	148,511	0.06%	(Note)
The Company	WYHQ	Subsidiary	Sales	48,360,043	7.61%	OA45	-	-	5,091,912	2.13%	(Note)
The Company	WYUS	Subsidiary	Sales	492,565	0.08%	OA45	-	-	121,286	0.05%	(Note)
The Company	WYHK	Subsidiary	Sales	215,653	0.03%	OA45	-	-	33,141	0.01%	(Note)
The Company	WTX	Subsidiary	Purchase	190,788	0.03%	OA60	-	-	(47,893)	0.03%	(Note)
The Company	WZS	Subsidiary	Purchase	107,395,745	18.44%	OA90	-	-	(31,651,405)	17.37%	(Note)
The Company	WITX	Subsidiary	Purchase	817,184	0.14%	OA90	-	-	(713)	-	(Note)
The Company	WAKS	Subsidiary	Purchase	9,169,979	1.57%	OA90	-	-	(3,382,469)	1.86%	(Note)
The Company	WSKS	Subsidiary	Purchase	4,966,446	0.85%	OA60	-	-	(787,089)	0.43%	(Note)
The Company	WCQ	Subsidiary	Purchase	116,087,014	19.94%	OA90	-	-	(37,910,792)	20.81%	(Note)
The Company	WCD	Subsidiary	Purchase	161,975,170	27.82%	OA90	-	-	(26,522,972)	14.56%	(Note)
The Company	WSCZ	Subsidiary	Purchase	179,621	0.03%	OA60	-	-	(29,963)	0.02%	(Note)
The Company	WSCQ	Subsidiary	Purchase	9,685,046	1.66%	OA60	-	-	(1,074,536)	0.59%	(Note)
The Company	FPI	Associate	Purchase	287,552	0.05%	OA50	-	-	(33,456)	0.02%	-
The Company	WSSG	Subsidiary	Purchase	151,990	0.03%	OA60	-	-	(1,246)	-	(Note)
The Company	WSPH	Subsidiary	Purchase	653,854	0.11%	OA30	-	-	(51,545)	0.03%	(Note)
The Company	WMMY	Subsidiary	Purchase	43,702,317	7.51%	OA90	-	-	(22,913,849)	12.58%	(Note)
The Company	WMMI	Subsidiary	Purchase	51,515,360	8.85%	OA45	-	-	(5,793,769)	3.18%	(Note)
The Company	WOOK	Subsidiary	Purchase	9,100,757	1.56%	OA90	-	-	(2,532,512)	1.39%	(Note)

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Table 7 Total purchases from or sales to related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Purchaser/Seller	Related Party	Relationship	Transaction				Differences in transaction terms compared to third party transactions		Note and trade receivables (payables)		Note
			Purchase/Sales	Amount	Percentage of total purchases / sales	Credit term	Unit price	Payment Terms	Balance	Percentage of total note and trade receivables (payables)	
The Company	WCCD	Subsidiary	Purchase	1,297,727	0.22%	OA90	-	-	(580,324)	0.32%	(Note)
The Company	WYHQ	Subsidiary	Purchase	1,715,929	0.29%	OA45	-	-	(846,130)	0.46%	(Note)
The Company	WYUS	Subsidiary	Purchase	2,359,397	0.41%	OA90	-	-	(5,088)	-	(Note)
AGI	The Company	Subsidiary	Sales	276,081	15.52%	OA90	-	-	39,350	14.60%	(Note)
WAKS	The Company	Subsidiary	Sales	9,169,979	96.34%	OA90	-	-	3,382,469	94.68%	(Note)
WAKS	WMMY	Affiliate	Sales	486,929	5.12%	OA90	-	-	223,230	6.25%	(Note)
WAKS	WMMY	Affiliate	Purchase	150,374	2.16%	OA90	-	-	(4,750)	0.27%	(Note)
WAKS	WOOK	Affiliate	Purchase	155,950	2.24%	OA90	-	-	(84,781)	4.80%	(Note)
WBR	WYUS	Affiliate	Purchase	325,041	64.23%	OA90	-	-	(16,188)	51.15%	(Note)
WCCD	The Company	Subsidiary	Sales	1,297,727	99.05%	OA90	-	-	580,324	99.93%	(Note)
WCCD	WCD	Affiliate	Purchase	1,268,279	99.82%	OA90	-	-	(618,590)	99.30%	(Note)
WCCZ	The Company	Subsidiary	Sales	757,916	86.62%	OA120	-	-	226,929	85.24%	(Note)
WCD	The Company	Subsidiary	Sales	161,975,170	86.36%	OA90	-	-	26,522,972	77.54%	(Note)
WCD	WSKS	Affiliate	Sales	3,427,481	1.83%	OA90	-	-	1,149,193	3.36%	(Note)
WCD	WCQ	Affiliate	Sales	15,682,931	8.36%	OA90	-	-	4,229,234	12.36%	(Note)
WCD	WMMY	Affiliate	Sales	4,922,306	2.62%	OA90	-	-	1,856,103	5.43%	(Note)
WCD	WCCD	Affiliate	Sales	1,268,279	0.68%	OA90	-	-	618,590	1.81%	(Note)
WCD	WNC	Associate	Purchase	265,046	0.14%	OA90	-	-	(100,471)	0.24%	-
WCD	WSKS	Affiliate	Purchase	145,080	0.08%	OA60	-	-	(52,298)	0.13%	(Note)
WCD	WCQ	Affiliate	Purchase	15,728,109	8.50%	OA90	-	-	(736)	-	(Note)
WCD	WMMY	Affiliate	Purchase	22,373,816	12.09%	OA90	-	-	(4,599,468)	11.05%	(Note)
WCQ	The Company	Subsidiary	Sales	116,087,014	86.92%	OA90	-	-	37,910,792	98.63%	(Note)
WCQ	WCD	Affiliate	Sales	15,728,109	11.78%	OA90	-	-	736	-	(Note)
WCQ	WSCQ	Affiliate	Sales	1,605,466	1.20%	OA90	-	-	604,649	1.57%	(Note)
WCQ	FLT	Associate	Purchase	204,320	0.14%	OA90	-	-	(98,078)	0.21%	-
WCQ	WCD	Affiliate	Purchase	15,682,931	10.76%	OA90	-	-	(4,229,234)	8.88%	(Note)
WCQ	WMMY	Affiliate	Purchase	2,013,947	1.38%	OA90	-	-	(781,025)	1.64%	(Note)
WIMX	WMX	Affiliate	Sales	182,788	44.54%	OA30	-	-	90,519	36.66%	(Note)
WIMX	WYMX	Affiliate	Sales	227,615	55.46%	OA30	-	-	156,420	63.34%	(Note)
WIN	WYHQ	Affiliate	Purchase	681,384	90.14%	OA30	-	-	(3,436)	13.54%	(Note)

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Table 7 Total purchases from or sales to related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Purchaser/Seller	Related Party	Relationship	Transaction				Differences in transaction terms compared to third party transactions		Note and trade receivables (payables)		Note
			Purchase/Sales	Amount	Percentage of total purchases / sales	Credit term	Unit price	Payment Terms	Balance	Percentage of total note and trade receivables (payables)	
WIS	The Company	Subsidiary	Purchase	1,031,545	100.00%	OA60	-	-	(359,109)	100.00%	(Note)
WITT	WITX	Affiliate	Sales	443,988	100.00%	YTTP	-	-	91,567	43.97%	(Note)
WITT	WZS	Affiliate	Purchase	123,526	52.31%	OA90	-	-	-	-	(Note)
WITX	The Company	Subsidiary	Sales	817,184	1.65%	OA90	-	-	713	-	(Note)
WITX	WYUS	Affiliate	Sales	2,810,797	5.67%	OA45	-	-	621,608	3.63%	(Note)
WITX	The Company	Subsidiary	Purchase	39,289,631	86.29%	OA150	-	-	(25,576,530)	85.83%	(Note)
WJP	The Company	Subsidiary	Purchase	1,631,530	98.95%	OA90	-	-	(730,630)	97.82%	(Note)
WMKS	WSSG	Affiliate	Sales	104,407	3.36%	OA60	-	-	30,819	2.62%	(Note)
WMKS	The Company	Subsidiary	Purchase	780,338	29.18%	OA90	-	-	(448,236)	29.22%	(Note)
WMMI	The Company	Subsidiary	Sales	51,515,360	94.74%	OA45	-	-	5,793,769	99.69%	(Note)
WMMI	The Company	Subsidiary	Purchase	3,024,571	5.69%	OA180	-	-	(23,903,919)	90.57%	(Note)
WMMY	WZS	Affiliate	Sales	591,562	0.64%	OA90	-	-	72,098	0.21%	(Note)
WMMY	The Company	Subsidiary	Sales	43,702,317	47.60%	OA90	-	-	22,913,849	67.37%	(Note)
WMMY	WAKS	Affiliate	Sales	150,374	0.16%	OA90	-	-	4,750	0.01%	(Note)
WMMY	WCQ	Affiliate	Sales	2,013,947	2.19%	OA90	-	-	781,025	2.30%	(Note)
WMMY	WCD	Affiliate	Sales	22,373,816	24.37%	OA90	-	-	4,599,468	13.52%	(Note)
WMMY	WZS	Affiliate	Purchase	5,031,313	5.57%	OA90	-	-	(21,435)	0.06%	(Note)
WMMY	WAKS	Affiliate	Purchase	486,929	0.54%	OA90	-	-	(223,230)	0.59%	(Note)
WMMY	The Company	Subsidiary	Purchase	17,100,949	18.94%	OA90	-	-	(30,934,648)	82.77%	(Note)
WMMY	WCD	Affiliate	Purchase	4,922,306	5.45%	OA90	-	-	(1,856,103)	4.97%	(Note)
WMT	The Company	Subsidiary	Purchase	413,172	87.71%	OA90	-	-	(161,098)	57.70%	(Note)
WMX	WITT	Affiliate	Sales	2,209,384	97.23%	OA60	-	-	392,876	97.35%	(Note)
WOOK	WZS	Affiliate	Sales	118,225	1.24%	OA90	-	-	2,877	0.11%	(Note)
WOOK	The Company	Subsidiary	Sales	9,100,757	95.43%	OA90	-	-	2,532,512	94.57%	(Note)
WOOK	WAKS	Affiliate	Sales	155,950	1.64%	OA90	-	-	84,781	3.17%	(Note)
WOOK	WTZ	Affiliate	Purchase	350,107	3.94%	OA90	-	-	(74,841)	4.97%	(Note)
WSCQ	The Company	Subsidiary	Sales	9,685,046	99.61%	OA60	-	-	1,074,536	98.58%	(Note)
WSCQ	WCQ	Affiliate	Purchase	1,605,466	17.50%	OA90	-	-	(604,649)	22.07%	(Note)
WSCZ	The Company	Subsidiary	Sales	179,621	4.17%	OA60	-	-	29,963	3.05%	(Note)
WSCZ	The Company	Subsidiary	Purchase	1,628,942	45.69%	OA90	-	-	(461,447)	60.53%	(Note)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 7 Total purchases from or sales to related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Purchaser/Seller	Related Party	Relationship	Transaction				Differences in transaction terms compared to third party transactions		Note and trade receivables (payables)		Note
			Purchase/Sales	Amount	Percentage of total purchases / sales	Credit term	Unit price	Payment Terms	Balance	Percentage of total note and trade receivables (payables)	
WSKS	The Company	Subsidiary	Sales	4,966,446	98.06%	OA60	-	-	787,089	72.81%	(Note)
WSKS	WCD	Affiliate	Sales	145,080	2.86%	OA60	-	-	52,298	4.84%	(Note)
WSKS	WCD	Affiliate	Purchase	3,427,481	90.07%	OA90	-	-	(1,149,193)	91.33%	(Note)
WSMX	WTX	Affiliate	Purchase	165,624	60.51%	OA90	-	-	(45,270)	98.34%	(Note)
WSPH	The Company	Subsidiary	Sales	653,854	100.00%	OA30	-	-	51,545	86.54%	(Note)
WSSG	The Company	Subsidiary	Purchase	1,012,099	35.36%	OA90	-	-	(436,582)	63.88%	(Note)
WSSG	The Company	Subsidiary	Sales	151,990	4.95%	OA60	-	-	1,246	0.19%	(Note)
WTS	The Company	Subsidiary	Sales	103,925	100.00%	YTTP	-	-	9,004	100.00%	(Note)
WTX	The Company	Subsidiary	Purchase	2,564,073	90.78%	OA90	-	-	(1,312,149)	91.11%	(Note)
WTX	The Company	Subsidiary	Sales	190,788	3.44%	OA60	-	-	47,893	4.24%	(Note)
WTX	WSMX	Affiliate	Sales	165,624	2.98%	OA90	-	-	45,270	4.01%	(Note)
WTZ	WOOK	Affiliate	Sales	350,107	26.32%	OA90	-	-	74,841	94.07%	(Note)
WTZS	WZS	Affiliate	Sales	654,799	29.96%	OA90	-	-	276,209	35.57%	(Note)
WTZS	The Company	Subsidiary	Sales	817,455	37.40%	OA90	-	-	193,919	24.97%	(Note)
WTZS	WZS	Affiliate	Purchase	738,817	100.00%	OA90	-	-	(328,079)	100.00%	(Note)
WVN	WMMY	Affiliate	Sales	1,452,361	99.25%	OA90	-	-	151,565	100.00%	(Note)
WVN	WZS	Affiliate	Purchase	341,288	46.81%	OA90	-	-	-	-	(Note)
WYHK	The Company	Subsidiary	Purchase	215,752	27.32%	OA45	-	-	(33,140)	23.67%	(Note)
WYHK	WYHQ	Subsidiary	Purchase	559,295	70.87%	OA90	-	-	(103,528)	76.33%	(Note)
WYHQ	WIN	Affiliate	Sales	684,012	0.77%	OA90	-	-	212,554	1.68%	(Note)
WYHQ	WYUS	Subsidiary	Sales	35,793,960	40.49%	OA150	-	-	5,260,002	41.53%	(Note)
WYHQ	WYJP	Subsidiary	Sales	3,246,957	3.67%	OA90	-	-	214,968	1.70%	(Note)
WYHQ	WYKR	Subsidiary	Sales	1,463,292	1.66%	OA90	-	-	86,930	0.69%	(Note)
WYHQ	WYHK	Subsidiary	Sales	559,295	0.63%	OA90	-	-	103,528	0.82%	(Note)
WYHQ	WYKS	Subsidiary	Sales	784,659	0.89%	OA90	-	-	265,138	2.09%	(Note)
WYHQ	The Company	Subsidiary	Purchase	46,538,355	69.22%	OA45	-	-	(4,241,641)	47.30%	(Note)
WYHQ	WYUS	Subsidiary	Purchase	2,315,252	3.44%	OA90	-	-	(237,001)	2.64%	(Note)
WYHQ	WYMY	Subsidiary	Purchase	3,337,223	4.96%	OA30	-	-	(42,094)	0.47%	(Note)
WYJP	WYHQ	Subsidiary	Purchase	3,246,957	100.00%	OA90	-	-	(214,968)	100.00%	(Note)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 7 Total purchases from or sales to related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Purchaser/Seller	Related Party	Relationship	Transaction				Differences in transaction terms compared to third party transactions		Note and trade receivables (payables)		Note
			Purchase/Sales	Amount	Percentage of total purchases / sales	Credit term	Unit price	Payment Terms	Balance	Percentage of total note and trade receivables (payables)	
WYKR	WYHQ	Subsidiary	Purchase	1,463,292	100.00%	OA90	-	-	(86,930)	100.00%	(Note)
WYKS	WYHQ	Subsidiary	Purchase	784,659	100.00%	OA90	-	-	(265,138)	100.00%	(Note)
WYMX	WYUS	Affiliate	Sales	3,600,097	100.00%	OA60	-	-	339,563	100.00%	(Note)
WYMY	WYHQ	Subsidiary	Sales	3,337,223	100.00%	OA30	-	-	42,094	100.00%	(Note)
WYMY	The Company	Subsidiary	Purchase	174,179	3.77%	OA45	-	-	-	-	(Note)
WYUS	WBR	Affiliate	Sales	308,304	0.16%	OA90	-	-	16,188	0.45%	(Note)
WYUS	WYHQ	Subsidiary	Sales	2,315,252	1.44%	OA90	-	-	237,001	6.97%	(Note)
WYUS	The Company	Subsidiary	Purchase	493,868	0.27%	OA45	-	-	(121,053)	0.72%	(Note)
WYUS	WITX	Affiliate	Purchase	2,792,364	1.52%	OA90	-	-	(621,608)	3.70%	(Note)
WYUS	WYHQ	Subsidiary	Purchase	35,793,960	20.12%	OA150	-	-	(5,260,002)	31.34%	(Note)
WYUS	WYMX	Affiliate	Purchase	3,600,097	1.97%	OA60	-	-	(339,563)	2.02%	(Note)
WZS	The Company	Subsidiary	Sales	107,395,745	92.73%	OA90	-	-	31,651,405	97.02%	(Note)
WZS	WTZS	Affiliate	Sales	738,817	0.64%	OA90	-	-	328,079	1.01%	(Note)
WZS	WITT	Affiliate	Sales	123,526	0.11%	OA90	-	-	-	-	(Note)
WZS	WMMY	Affiliate	Sales	5,031,313	4.34%	OA90	-	-	21,435	0.07%	(Note)
WZS	LYZ	Associate	Purchase	798,531	0.79%	OA120	-	-	(374,776)	1.33%	-
WZS	The Company	Subsidiary	Purchase	1,401,869	1.39%	OA90	-	-	(10,585,516)	37.59%	(Note)
WZS	HYZS	Associate	Purchase	286,635	0.28%	OA90	-	-	(148,304)	0.53%	-
WZS	TPE	Associate	Purchase	113,810	0.11%	OA90	-	-	(30,041)	0.11%	-
WZS	WMMY	Affiliate	Purchase	591,562	0.59%	OA90	-	-	(72,098)	0.25%	(Note)
WZS	WOOK	Affiliate	Purchase	118,225	0.12%	OA90	-	-	(2,877)	0.01%	(Note)
WZS	WYHQ	Affiliate	Purchase	846,188	0.84%	OA90	-	-	(47,715)	0.17%	(Note)

(Note): The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 8 Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Company Name	Related Party	Relationship	Balance of receivables from related party	Turnover rate	Overdue receivables		Amounts collected subsequent to the balance sheet date	Allowance for doubtful accounts	Note
					Amount	Action taken			
The Company	WJP	Subsidiary	730,630	183.85%	309,766	Collecting	188,126	-	(Note)
The Company	WTX	Subsidiary	1,312,149	211.01%	630,763	Collecting	214,096	-	(Note)
The Company	WMKS	Subsidiary	448,236	246.16%	203,897	Collecting	86,638	-	(Note)
The Company	WZS	Subsidiary	10,585,516	12.62%	-	-	4,999,284	-	(Note)
The Company	WITX	Subsidiary	25,576,530	143.27%	10,138,076	Collecting	3,903,370	-	(Note)
The Company	WCQ	Subsidiary	26,660,431	-	9,613,884	Collecting	12,117,531	-	(Note)
The Company	WCD	Subsidiary	26,924,878	-	3,946,130	Collecting	15,859,260	-	(Note)
The Company	WSCZ	Subsidiary	461,447	408.70%	-	-	121,117	-	(Note)
The Company	WSSG	Subsidiary	436,582	279.85%	96,893	Collecting	97,050	-	(Note)
The Company	WMT	Subsidiary	161,098	294.26%	94	Collecting	35,768	-	(Note)
The Company	WIS	Subsidiary	359,109	419.53%	-	-	151,178	-	(Note)
The Company	WMMY	Subsidiary	30,934,648	102.83%	12,010,945	Collecting	5,613,380	-	(Note)
The Company	WMMI	Subsidiary	23,903,919	11.18%	893,260	Collecting	3,753,186	-	(Note)
The Company	WOOK	Subsidiary	938,621	-	-	-	614,901	-	(Note)
The Company	KOE	Subsidiary	148,511	193.39%	-	-	80,467	-	(Note)
The Company	WYHQ	Subsidiary	5,091,912	617.69%	344	Collecting	2,557,904	-	(Note)
The Company	WYUS	Subsidiary	121,286	601.51%	526	Collecting	-	-	(Note)
WAKS	The Company	Subsidiary	3,382,469	267.40%	-	-	-	-	(Note)
WAKS	WMMY	Affiliate	223,230	195.29%	-	-	-	-	(Note)
WCCD	The Company	Subsidiary	580,324	345.74%	-	-	-	-	(Note)
WCCZ	The Company	Subsidiary	226,929	431.07%	-	-	-	-	(Note)
WCD	The Company	Subsidiary	26,522,972	583.69%	-	-	26,319,058	-	(Note)
WCD	WSKS	Affiliate	1,149,193	342.58%	-	-	555,359	-	(Note)
WCD	WCQ	Affiliate	4,229,234	246.38%	-	-	3,456,909	-	(Note)
WCD	WMMY	Affiliate	1,856,103	338.77%	-	-	709,364	-	(Note)
WCD	WCCD	Affiliate	618,590	284.12%	-	-	-	-	(Note)
WCQ	The Company	Subsidiary	37,910,792	394.44%	-	-	20,062,069	-	(Note)
WCQ	WSCQ	Affiliate	604,649	274.62%	-	-	-	-	(Note)
WIMX	WYMX	Affiliate	156,420	286.91%	-	-	-	-	(Note)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 8 Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Company Name	Related Party	Relationship	Balance of receivables from related party	Turnover rate	Overdue receivables		Amounts collected subsequent to the balance sheet date	Allowance for doubtful accounts	Note
					Amount	Action taken			
WITX	WYUS	Affiliate	621,608	264.45%	-	-	370,030	-	(Note)
WMMI	The Company	Subsidiary	5,793,769	414.10%	-	-	5,793,769	-	(Note)
WMMY	The Company	Subsidiary	22,913,849	305.65%	-	-	5,044,426	-	(Note)
WMMY	WCQ	Affiliate	781,025	270.95%	-	-	-	-	(Note)
WMMY	WCD	Affiliate	4,599,468	576.72%	-	-	1,763,621	-	(Note)
WMX	WITT	Affiliate	392,876	550.64%	-	-	-	-	(Note)
WOOK	The Company	Subsidiary	2,532,512	313.16%	-	-	-	-	(Note)
WSCQ	The Company	Subsidiary	1,074,536	1002.69%	996,327	Collecting	-	-	(Note)
WSKS	The Company	Subsidiary	787,089	579.91%	-	-	-	-	(Note)
WTZS	WZS	Affiliate	276,209	243.08%	131,910	Collecting	-	-	(Note)
WTZS	The Company	Subsidiary	193,919	348.94%	-	-	-	-	(Note)
WVN	WMMY	Affiliate	151,565	721.21%	-	-	61,470	-	(Note)
WYHQ	WIN	Affiliate	212,554	427.91%	-	-	51,633	-	(Note)
WYHQ	WYUS	Subsidiary	5,260,002	301.21%	-	-	3,614,759	-	(Note)
WYHQ	WYJP	Subsidiary	214,968	680.98%	-	-	-	-	(Note)
WYHQ	WYHK	Subsidiary	103,528	272.30%	-	-	101,152	-	(Note)
WYHQ	WYKS	Subsidiary	265,138	382.19%	-	-	37,157	-	(Note)
WYMX	WYUS	Affiliate	339,563	1162.38%	-	-	339,563	-	(Note)
WYUS	WYHQ	Subsidiary	237,001	802.92%	-	-	77,608	-	(Note)
WZS	The Company	Subsidiary	31,651,405	505.97%	3,637,911	Collecting	3,637,911	-	(Note)
WZS	WTZS	Affiliate	328,079	134.86%	45,118	Collecting	109	-	(Note)
Other receivables									
The Company	KOE	Subsidiary	1,201,237	-	-	-	-	-	(Note)
The Company	WMMI	Subsidiary	240,390	-	48,459	Collecting	-	-	(Note)
WAKS	WTZ	Affiliate	614,966	-	-	-	-	-	(Note)
WAKS	WZS	Affiliate	1,092,340	-	-	-	-	-	(Note)
WCCZ	WSCZ	Affiliate	1,231,754	-	-	-	-	-	(Note)
WCD	The Company	Subsidiary	456,589	-	-	-	-	-	(Note)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 8 Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Company Name	Related Party	Relationship	Balance of receivables from related party	Turnover rate	Overdue receivables		Amounts collected subsequent to the balance sheet date	Allowance for doubtful accounts	Note
					Amount	Action taken			
WCD	WTZ	Affiliate	3,691,192	-	-	-	-	-	(Note)
WCQ	WMCQ	Affiliate	246,350	-	-	-	-	-	(Note)
WCQ	WSCQ	Affiliate	923,525	-	-	-	-	-	(Note)
WCQ	WSPH	Affiliate	418,980	-	-	-	-	-	(Note)
WCQ	WVN	Affiliate	2,430,727	-	-	-	-	-	(Note)
WITT	WITX	Affiliate	552,277	-	-	-	197,828	-	(Note)
WMKS	WRKS	Affiliate	138,423	-	-	-	-	-	(Note)
WMKS	WTKS	Affiliate	216,283	-	-	-	-	-	(Note)
WMKS	XTRKS	Affiliate	324,431	-	-	-	-	-	(Note)
WMMI	The Company	Subsidiary	114,414	-	-	-	-	-	(Note)
WMMY	The Company	Subsidiary	802,917	-	-	-	145,836	-	(Note)
WMMY	WVN	Affiliate	184,378	-	-	-	2,018	-	(Note)
WOOK	WGKS	Affiliate	584,217	-	-	-	-	-	(Note)
WYHQ	WYJP	Subsidiary	201,762	-	-	-	-	-	(Note)
WYHQ	WYMY	Subsidiary	195,287	-	43,186	Collecting	76,424	-	(Note)
WYMY	WYUS	Affiliate	106,271	-	-	-	106,271	-	(Note)
WYUS	WYMY	Affiliate	104,934	-	80,257	Collecting	76,823	-	(Note)
WZS	WTZ	Affiliate	2,460,453	-	-	-	-	-	(Note)

(Note): The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 9 Business relationships and significant inter-company transactions
(December 31, 2023)

(TWD : expressed in thousands)

No.	Company Name	Related Party	Relationship (Note 1)	Transaction: Financial statement account	Transaction: Amount	Transaction: Credit term	Transaction: Percentage of consolidated sales revenue and total assets (Note 2)
0	The Company	WYHQ	1	Sales	48,360,043	OA45	5.58%
0	The Company	WITX	1	Sales	39,289,631	OA150	4.53%
0	The Company	WMMY	1	Sales	17,100,949	OA90	1.97%
0	The Company	WMMI	1	Sales	3,024,571	OA180	0.35%
0	The Company	WTX	1	Sales	2,564,073	OA90	0.30%
0	The Company	WJP	1	Sales	1,631,530	OA90	0.19%
0	The Company	WSCZ	1	Sales	1,628,942	OA90	0.19%
0	The Company	WZS	1	Sales	1,401,869	OA90	0.16%
0	The Company	WIS	1	Sales	1,031,545	OA60	0.12%
0	The Company	WSSG	1	Sales	1,012,099	OA90	0.12%
0	The Company	WMKS	1	Sales	780,338	OA90	0.09%
0	The Company	WYUS	1	Sales	492,565	OA45	0.06%
0	The Company	WMT	1	Sales	413,172	OA90	0.05%
0	The Company	KOE	1	Sales	236,353	OA60	0.03%
0	The Company	WYHK	1	Sales	215,653	OA45	0.02%
0	The Company	WMMY	1	Trade Receivables	30,934,648	OA90	6.84%
0	The Company	WCD	1	Trade Receivables	26,924,878	OA90	5.95%
0	The Company	WCQ	1	Trade Receivables	26,660,431	OA90	5.89%
0	The Company	WITX	1	Trade Receivables	25,576,530	OA150	5.65%
0	The Company	WMMI	1	Trade Receivables	23,903,919	OA180	5.28%
0	The Company	WZS	1	Trade Receivables	10,585,516	OA90	2.34%
0	The Company	WYHQ	1	Trade Receivables	5,091,912	OA45	1.13%
0	The Company	WTX	1	Trade Receivables	1,312,149	OA90	0.29%
0	The Company	WOOK	1	Trade Receivables	938,621	OA90	0.21%

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 9 Business relationships and significant inter-company transactions
(December 31, 2023)

(TWD : expressed in thousands)

No.	Company Name	Related Party	Relationship (Note 1)	Transaction: Financial statement account	Transaction: Amount	Transaction: Credit term	Transaction: Percentage of consolidated sales revenue and total assets (Note 2)
0	The Company	WJP	1	Trade Receivables	730,630	OA90	0.16%
0	The Company	WSCZ	1	Trade Receivables	461,447	OA90	0.10%
0	The Company	WMKS	1	Trade Receivables	448,236	OA90	0.10%
0	The Company	WSSG	1	Trade Receivables	436,582	OA90	0.10%
0	The Company	WIS	1	Trade Receivables	359,109	OA60	0.08%
0	The Company	WMT	1	Trade Receivables	161,098	OA90	0.04%
0	The Company	KOE	1	Trade Receivables	148,511	OA60	0.03%
0	The Company	WYUS	1	Trade Receivables	121,286	OA45	0.03%
1	AGI	The Company	2	Sales	276,081	OA90	0.03%
2	WAKS	The Company	2	Sales	9,169,979	OA90	1.06%
2	WAKS	WMMY	3	Sales	486,929	OA90	0.06%
2	WAKS	The Company	2	Trade Receivables	3,382,469	OA90	0.75%
2	WAKS	WMMY	3	Trade Receivables	223,230	OA90	0.05%
3	WCCD	The Company	2	Sales	1,297,727	OA90	0.15%
3	WCCD	The Company	2	Trade Receivables	580,324	OA90	0.13%
4	WCCZ	The Company	2	Sales	757,916	OA120	0.09%
4	WCCZ	The Company	2	Trade Receivables	226,929	OA120	0.05%
5	WCD	The Company	2	Sales	161,975,170	OA90	18.68%
5	WCD	WCQ	3	Sales	15,682,931	OA90	1.81%
5	WCD	WMMY	3	Sales	4,922,306	OA90	0.57%
5	WCD	WSKS	3	Sales	3,427,481	OA90	0.40%
5	WCD	WCCD	3	Sales	1,268,279	OA90	0.15%
5	WCD	The Company	2	Trade Receivables	26,522,972	OA90	5.86%
5	WCD	WCQ	3	Trade Receivables	4,229,234	OA90	0.93%
5	WCD	WMMY	3	Trade Receivables	1,856,103	OA90	0.41%
5	WCD	WSKS	3	Trade Receivables	1,149,193	OA90	0.25%
5	WCD	WCCD	3	Trade Receivables	618,590	OA90	0.14%

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 9 Business relationships and significant inter-company transactions
(December 31, 2023)

(TWD : expressed in thousands)

No.	Company Name	Related Party	Relationship (Note 1)	Transaction			
				Financial statement account	Amount	Credit term	Percentage of consolidated sales revenue and total assets (Note 2)
6	WCQ	The Company	2	Sales	116,087,014	OA90	13.39%
6	WCQ	WCD	3	Sales	15,728,109	OA90	1.81%
6	WCQ	WSCQ	3	Sales	1,605,466	OA90	0.19%
6	WCQ	The Company	2	Trade Receivables	37,910,792	OA90	8.38%
6	WCQ	WSCQ	3	Trade Receivables	604,649	OA90	0.13%
7	WIMX	WYMX	3	Sales	227,615	OA30	0.03%
7	WIMX	WMX	3	Sales	182,788	OA30	0.02%
7	WIMX	WYMX	3	Trade Receivables	156,420	OA30	0.03%
8	WITT	WITX	3	Sales	443,988	YTTP	0.05%
9	WITX	WYUS	3	Sales	2,810,797	OA45	0.32%
9	WITX	The Company	2	Sales	817,184	OA90	0.09%
9	WITX	WYUS	3	Trade Receivables	621,608	OA45	0.14%
10	WMKS	WSSG	3	Sales	104,407	OA60	0.01%
11	WMMI	The Company	2	Sales	51,515,360	OA45	5.94%
11	WMMI	The Company	2	Trade Receivables	5,793,769	OA45	1.28%
12	WMMY	The Company	2	Sales	43,702,317	OA90	5.04%
12	WMMY	WCD	3	Sales	22,373,816	OA90	2.58%
12	WMMY	WCQ	3	Sales	2,013,947	OA90	0.23%
12	WMMY	WZS	3	Sales	591,562	OA90	0.07%
12	WMMY	WAKS	3	Sales	150,374	OA90	0.02%
12	WMMY	The Company	2	Trade Receivables	22,913,849	OA90	5.07%
12	WMMY	WCD	3	Trade Receivables	4,599,468	OA90	1.02%
12	WMMY	WCQ	3	Trade Receivables	781,025	OA90	0.17%
13	WMX	WITT	3	Sales	2,209,384	OA60	0.25%
13	WMX	WITT	3	Trade Receivables	392,876	OA60	0.09%

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 9 Business relationships and significant inter-company transactions
(December 31, 2023)

(TWD : expressed in thousands)

No.	Company Name	Related Party	Relationship (Note 1)	Transaction			
				Financial statement account	Amount	Credit term	Percentage of consolidated sales revenue and total assets (Note 2)
14	WOOK	The Company	2	Sales	9,100,757	OA90	1.05%
14	WOOK	WAKS	3	Sales	155,950	OA90	0.02%
14	WOOK	WZS	3	Sales	118,225	OA90	0.01%
14	WOOK	The Company	2	Trade Receivables	2,532,512	OA90	0.56%
15	WSCQ	The Company	2	Sales	9,685,046	OA60	1.12%
15	WSCQ	The Company	2	Trade Receivables	1,074,536	OA60	0.24%
16	WSCZ	The Company	2	Sales	179,621	OA60	0.02%
17	WSKS	The Company	2	Sales	4,966,446	OA60	0.57%
17	WSKS	WCD	3	Sales	145,080	OA60	0.02%
17	WSKS	The Company	2	Trade Receivables	787,089	OA60	0.17%
18	WSPH	The Company	2	Sales	653,854	OA30	0.08%
19	WSSG	The Company	2	Sales	151,990	OA60	0.02%
20	WTS	The Company	2	Sales	103,925	YTTP	0.01%
21	WTX	The Company	2	Sales	190,788	OA60	0.02%
21	WTX	WSMX	3	Sales	165,624	OA90	0.02%
22	WTZ	WOOK	3	Sales	350,107	OA90	0.04%
23	WTZS	The Company	2	Sales	817,455	OA90	0.09%
23	WTZS	WZS	3	Sales	654,799	OA90	0.08%
23	WTZS	WZS	3	Trade Receivables	276,209	OA90	0.06%
23	WTZS	The Company	2	Trade Receivables	193,919	OA90	0.04%
24	WVN	WMMY	3	Sales	1,452,361	OA90	0.17%
24	WVN	WMMY	3	Trade Receivables	151,565	OA90	0.03%
25	WYHQ	WYUS	1	Sales	35,793,960	OA150	4.13%
25	WYHQ	WYJP	1	Sales	3,246,957	OA90	0.37%
25	WYHQ	WYKR	1	Sales	1,463,292	OA90	0.17%
25	WYHQ	WYKS	1	Sales	784,659	OA90	0.09%
25	WYHQ	WIN	3	Sales	684,012	OA90	0.08%

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Table 9 Business relationships and significant inter-company transactions
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(TWD : expressed in thousands)

No.	Company Name	Related Party	Relationship (Note 1)	Transaction			
				Financial statement account	Amount	Credit term	Percentage of consolidated sales revenue and total assets (Note 2)
25	WYHQ	WYHK	1	Sales	559,295	OA90	0.06%
25	WYHQ	WYUS	1	Trade Receivables	5,260,002	OA150	1.16%
25	WYHQ	WYKS	1	Trade Receivables	265,138	OA90	0.06%
25	WYHQ	WYJP	1	Trade Receivables	214,968	OA90	0.05%
25	WYHQ	WIN	3	Trade Receivables	212,554	OA90	0.05%
25	WYHQ	WYHK	1	Trade Receivables	103,528	OA90	0.02%
26	WYMX	WYUS	3	Sales	3,600,097	OA60	0.42%
26	WYMX	WYUS	3	Trade Receivables	339,563	OA60	0.08%
27	WYMY	WYHQ	2	Sales	3,337,223	OA30	0.38%
28	WYUS	WYHQ	2	Sales	2,315,252	OA90	0.27%
28	WYUS	WBR	3	Sales	308,304	OA90	0.04%
28	WYUS	WYHQ	2	Trade Receivables	237,001	OA90	0.05%
29	WZS	The Company	2	Sales	107,395,745	OA90	12.39%
29	WZS	WMMY	3	Sales	5,031,313	OA90	0.58%
29	WZS	WTZS	3	Sales	738,817	OA90	0.09%
29	WZS	WITT	3	Sales	123,526	OA90	0.01%
29	WZS	The Company	2	Trade Receivables	31,651,405	OA90	7.00%
29	WZS	WTZS	3	Trade Receivables	328,079	OA90	0.07%

(Note 1): Relationship of the counterparties:
1.Transactions are between the parent company and its subsidiary.
2.Transactions are between the subsidiary and the parent company.
3.Transactions are between subsidiaries.
(Note 2): The ratio was calculated by using the transaction amount, divided by the consolidated net revenues or total assets.
(Note 3): The section only disclosed the information of sales and trade receivables of inter-company transactions, as well as the purchases and trade payables.

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Table 10 Information on investees (excluding investees in Mainland China)
(December 31, 2023)

(TWD : expressed in thousands)

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Ending balance			Highest percentage of shares during the period	Net income (losses) of the investee	Investment income (losses)	Notes
				Ending balance	Beginning balance	Shares	Shareholding	Book value				
The Company	WMX	Mexico	Server and consumer electronics product manufacturing	1,354,618	1,354,618	160,044	100.00%	2,418,990	100.00%	173,945	173,945	(Note)
The Company	WTX	U.S.A.	Sales and maintenance service center in Northern America	386,196	386,196	4,833	100.00%	2,135,417	100.00%	127,143	127,143	(Note)
The Company	AIIH	B.V.I.	Investment and holding	8,565,419	8,717,358	432,486	100.00%	7,808,450	100.00%	186,112	186,112	(Note)
The Company	COWIN	B.V.I.	Investment and holding	6,753,222	6,759,300	213,694	100.00%	17,561,318	100.00%	969,145	969,145	(Note)
The Company	Win Smart	B.V.I.	Investment and holding	2,611,286	2,611,286	44,565	100.00%	23,206,948	100.00%	2,109,043	2,109,043	(Note)
The Company	WCL	Taiwan	Investment consultant and business management consultant	4,312,000	4,312,000	-	100.00%	10,375,104	100.00%	1,104,066	1,104,066	(Note)
The Company	ISL	Taiwan	Safety and EMI testing	14,603	14,603	2,434	100.00%	143,641	100.00%	45,084	45,084	(Note)
The Company	WSPH	Philippines	Sales and maintenance service center in Asia	3,319,705	2,853,068	964,567	100.00%	499,552	100.00%	12,023	12,023	(Note)
The Company	WLLC	U.S.A.	Investment and holding	3,273,026	2,671,826	10,936	100.00%	4,287,709	100.00%	71,171	71,171	(Note)
The Company	WVS	B.V.I.	Investment and holding	314,273	314,273	9,150	100.00%	942,468	100.00%	78,285	78,285	(Note)
The Company	WBR	Brazil	Sales and maintenance service center	623,794	623,794	37,243	99.99%	769,147	99.99%	105,980	105,980	(Note)
The Company	WTR	Turkey	Sales and maintenance service center	46,650	46,650	22	99.90%	69,855	99.90%	24,054	24,054	(Note)
The Company	WGTX	U.S.A.	Recycling service of information technology products	859,795	859,795	13	100.00%	41,583	100.00%	(74,969)	(74,969)	(Note)
The Company	WMMY	Malaysia	Consumer electronic product manufacturing	2,095,629	2,095,629	267,425	100.00%	6,625,536	100.00%	981,046	981,046	(Note)
The Company	WSMX	Mexico	Sales and maintenance service center	89,134	89,134	36,429	100.00%	(184,817)	100.00%	13,737	13,737	(Note)
The Company	WYHQ	Taiwan	Research and development, sales and service of information products	1,498,350	1,498,350	65,895	37.69%	15,917,592	37.69%	12,043,655	4,539,133	(Note)
The Company	WCHK	Hong Kong	Investment and holding	225,494	225,494	58,446	100.00%	1,007,781	100.00%	210,807	210,807	(Note)
The Company	WCHQ	Taiwan	Sales and maintenance of computer products and electronic information products	10,000	10,000	1,000	100.00%	25,618	100.00%	(2,503)	(2,503)	(Note)
The Company	WCCZ	Czech Rep.	Electronic product manufacturing	121,527	121,527	-	100.00%	2,647,198	100.00%	136,084	136,084	(Note)
The Company	WEHK	Hong Kong	Investment and holding	397,542	397,542	16,426	100.00%	(1,773)	100.00%	(168)	(168)	(Note)
The Company	AGI	Taiwan	Cloud software solution integrator	2,570	2,570	1	0.01%	10	0.01%	(49,484)	(2)	(Note)
The Company	WSSG	Singapore	Sales and maintenance service center	4,797,805	4,797,805	157,489	100.00%	(594,395)	100.00%	(2,950,037)	(2,950,037)	(Note)
The Company	WDH	Taiwan	Investment and holding	1,800,000	1,800,000	205,056	100.00%	2,289,692	100.00%	15,762	15,762	(Note)
The Company	WMH	Taiwan	Investment and holding	2,800,000	2,800,000	280,000	100.00%	1,496,368	100.00%	(403,607)	(403,607)	(Note)
The Company	WTS	U.S.A.	Sales development and customer service	10,348	10,348	35	100.00%	19,875	100.00%	1,104	1,104	(Note)
The Company	WIMX	Mexico	Real property rental and management	2,328,429	910,394	905,352	100.00%	2,570,869	100.00%	53,197	53,197	(Note)
The Company	WVN	Vietnam	Assembly and sales of Notebook and LCD monitor	2,783,871	1,346,288	-	100.00%	2,745,599	100.00%	21,424	21,424	(Note)
The Company	WSCZ	Czech Rep.	Sales and maintenance service center	282,833	282,833	-	100.00%	705,441	100.00%	22,491	22,491	(Note)
The Company	WIS	Taiwan	Research and development, sales and service of network communication products	391,349	214,656	29,474	75.42%	395,945	75.42%	(52,811)	(33,653)	(Note)
The Company	WCA	Taiwan	Real property rental and management	2,700,000	1,700,000	270,000	100.00%	2,703,658	100.00%	6,433	6,433	(Note)
The Company	WGEH	Taiwan	Investment and holding	280,000	280,000	28,000	100.00%	262,021	100.00%	(18,072)	(18,072)	(Note)
The Company	HCL	B.V.I.	Investment and holding	60,583	96,045	-	30.00%	32,186	30.00%	(1,909)	(566)	(Note)
The Company	WNC	Taiwan	Manufacturing and sales of wireless receiver products	1,265,409	585,487	96,089	19.92%	6,347,053	22.66%	3,802,830	824,453	-
The Company	TPE	Taiwan	Wholesale and retail of electronic materials	26,088	26,088	4,994	9.99%	36,148	12.82%	(611,653)	(79,184)	-
The Company	Formosa Prosonic Industries Berhad	Malaysia	Manufacturing of audio and hooter	513,565	513,565	69,260	27.14%	799,101	27.16%	581,073	172,355	-
The Company	JLH	Taiwan	Sales of audio system of vehicles and components	578,889	578,889	20,261	29.65%	69,252	32.79%	25,981	8,197	-
The Company	NICE Licensing LLC	Japan	Promote NICE Standard	12,907	8,362	-	20.00%	4,532	23.14%	(18,445)	(3,792)	-
The Company	PELL	Taiwan	Biotechnology service	407,750	225,000	5,150	9.55%	417,562	9.68%	(399,534)	(29,900)	-
The Company	Mobility Technology Group Inc.	Cayman Island	Design, development and prototyping of automobile components	272,700	-	9,000	31.25%	248,021	32.14%	(25,046)	(6,820)	-
The Company	ISGTG	Seychelles	Research and development and sales of information technology products	160,025	160,025	5	40.00%	-	40.00%	-	-	-
The Company	ISGTC	Hong Kong	Research and development and sales of information technology products	160,000	160,000	5	40.00%	-	40.00%	-	-	-

WISTRON CORPORATION AND SUBSIDIARIES
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Table 10 Information on investees (excluding investees in Mainland China)
(December 31, 2023)

(TWD : expressed in thousands)

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Ending balance			Highest percentage of shares during the period	Net income (losses) of the investee	Investment income (losses)	Notes
				Ending balance	Beginning balance	Shares	Shareholding	Book value				
AIIH	WJP	Japan	Sales and maintenance service center	129,985	129,985	9	100.00%	317,175	100.00%	45,911	Not required to disclose	(Note)
AIIH	WNC	Taiwan	Manufacturing and sales of wireless receiver products	1,311	1,311	115	0.02%	7,318	0.03%	3,802,830	Not required to disclose	-
AIIH	HartecAsia	Singapore	Investment and holding	178,700	178,700	6,090	20.02%	198,276	20.02%	(189,545)	Not required to disclose	-
AIIH	WBR	Brazil	Sales and maintenance service center	96	96	5	0.01%	92	0.01%	105,980	Not required to disclose	(Note)
AIIH	Hsieh Yuh	B.V.I.	Holding company and OEM	80,678	80,678	3,990	26.08%	-	26.08%	28,655	Not required to disclose	-
BTA	WMJP	Japan	Exoskeleton product device	45,760	45,760	4	100.00%	15,773	100.00%	(5,162)	Not required to disclose	(Note)
BTA	WMKL	Malaysia	Exoskeleton product device	20,519	15,087	3,000	60.00%	8,209	60.00%	(11,699)	Not required to disclose	(Note)
HCL	FPTC	Malaysia	Investment and holding	103,275	-	15,000	100.00%	102,030	100.00%	(1,760)	Not required to disclose	(Note)
WCL	WLB	Taiwan	Investment consultant and business management consultant	234,500	234,500	89,142	100.00%	2,262,778	100.00%	318,493	Not required to disclose	(Note)
WCL	WYHQ	Taiwan	Research and development, sales and service of information products	438,220	501,477	3,776	2.16%	911,833	2.47%	12,043,655	Not required to disclose	(Note)
WCL	WAC	Taiwan	Manufacturing, wholesale and retail of electronic related products	16,000	16,000	1,600	100.00%	14,923	100.00%	(151)	Not required to disclose	(Note)
WCL	WMT	Taiwan	Manufacturing of medical instruments	40,000	40,000	4,000	8.00%	11,056	8.00%	(188,516)	Not required to disclose	(Note)
WCL	AGI	Taiwan	Cloud software solution integrator	37,000	37,000	500	2.60%	5,016	2.71%	(49,484)	Not required to disclose	(Note)
WCL	KOE	Taiwan	Manufacturing and sales of automotive electronics and electronic related products	2,108,639	2,108,639	138,783	100.00%	3,238,057	100.00%	486,924	Not required to disclose	(Note)
WCL	WIS	Taiwan	Research and development, sales and service of network communication products	88,855	-	5,827	14.90%	83,656	14.90%	(52,811)	Not required to disclose	(Note)
WCL	WITS	Taiwan	Professional information technology service provider	35,404	23,444	1,307	1.81%	79,699	1.81%	587,973	Not required to disclose	-
WCL	WNC	Taiwan	Manufacturing and sales of wireless receiver products	4,325	2,450	117	0.02%	9,048	0.03%	3,802,830	Not required to disclose	-
WCL	WTR	Turkey	Sales and maintenance service center	47	47	-	0.10%	47	0.10%	24,054	Not required to disclose	(Note)
WCL	MAYA	Taiwan	Information integration of medical service	30,447	30,447	1,028	10.35%	24,472	10.35%	(14,210)	Not required to disclose	-
WCL	TPE	Taiwan	Wholesale and retail of electronic materials	79,985	33,985	5,302	10.61%	79,649	10.61%	(611,653)	Not required to disclose	-
WCL	JLH	Taiwan	Sales of audio system of vehicles and components	55,256	55,256	1,934	2.83%	6,611	3.13%	25,981	Not required to disclose	-
WCL	RTX	Taiwan	Intelligent networking	135,000	135,000	10,395	30.00%	269,990	30.00%	432,413	Not required to disclose	-
WDH	AGI	Taiwan	Cloud software solution integrator	115,600	115,600	13,998	72.71%	140,445	75.85%	(49,484)	Not required to disclose	(Note)
WDH	WETW	Taiwan	Online and offline hybrid learning education service provider	17,106	17,106	9,220	70.25%	(83,320)	87.81%	(56,734)	Not required to disclose	(Note)
WDH	WITS	Taiwan	Professional information technology service provider	425,644	330,202	16,756	23.16%	903,058	23.58%	587,973	Not required to disclose	-
WDH	CGI	Taiwan	Professional information security software provider	32,915	35,325	3,319	19.30%	75,741	21.46%	81,404	Not required to disclose	-
WDH	IKALA GLOBAL ONLINE CORP.	Cayman Island	Investment and holding	434,895	434,895	225,503	18.18%	325,497	20.31%	(260,065)	Not required to disclose	-
WGEH	AIS	Taiwan	Self-usage power generation equipment utilizing renewable energy industry	65,000	65,000	6,500	86.67%	50,602	86.67%	(15,802)	Not required to disclose	(Note)
WHK	WIN	India	Sales and maintenance service center	-	-	-	0.01%	-	0.01%	(312)	Not required to disclose	(Note)
WHK	WMMI	India	Manufacturing of information and communication products	-	-	-	0.01%	-	0.01%	(3,038,859)	Not required to disclose	(Note)
WIN	STI	India	Development of internet platform and Internet of things related products	19,435	-	1,878	99.99%	16,352	99.99%	9	Not required to disclose	(Note)
Win Smart	WHK	Hong Kong	Sales and maintenance service center	19,301	19,301	6,000	100.00%	28,825	100.00%	673	Not required to disclose	(Note)
Win Smart	WHHK	Hong Kong	Investment and holding	2,475,485	2,475,485	82,150	100.00%	9,542,721	100.00%	1,506,371	Not required to disclose	(Note)
Win Smart	MINDFORCE	B.V.I.	Investment and holding	692,634	692,634	21,693	28.88%	188,427	28.88%	(312,252)	Not required to disclose	-
WLB	WYHQ	Taiwan	Research and development, sales and service of information products	372,062	411,103	5,194	2.97%	1,254,774	3.28%	12,043,655	Not required to disclose	(Note)
WLB	WIS	Taiwan	Research and development, sales and service of network communication products	54,127	42,538	3,727	9.54%	51,378	9.54%	(52,811)	Not required to disclose	(Note)
WLB	WMT	Taiwan	Manufacturing of medical instruments	8,270	5,720	827	1.65%	2,286	1.65%	(188,516)	Not required to disclose	(Note)
WLB	WETW	Taiwan	Online and offline hybrid learning education service provider	2,650	1,640	265	2.02%	(2,395)	2.52%	(56,734)	Not required to disclose	(Note)

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Table 10 Information on investees (excluding investees in Mainland China)
(December 31, 2023)

(TWD : expressed in thousands)

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Ending balance			Highest percentage of shares during the period	Net income (losses) of the investee	Investment income (losses)	Notes
				Ending balance	Beginning balance	Shares	Shareholding	Book value				
WLB	AGI	Taiwan	Cloud software solution integrator	195	195	12	0.06%	120	0.07%	(49,484)	Not required to disclose	(Note)
WLB	PELL	Taiwan	Biotechnology service	49,134	49,134	1,253	2.32%	59,639	2.82%	(399,534)	Not required to disclose	-
WLLC	WITX	U.S.A.	Sales of electronic information products	1,525,557	1,525,557	4,950	100.00%	2,433,473	100.00%	70,601	Not required to disclose	(Note)
WLLC	WITT	U.S.A.	Sales of electronic information products	1,739,996	1,138,796	5,951	100.00%	1,827,761	100.00%	1,749	Not required to disclose	(Note)
WMH	WMT	Taiwan	Manufacturing of medical instruments	415,000	415,000	41,500	83.00%	114,703	83.00%	(188,516)	Not required to disclose	(Note)
WMH	MAYA	Taiwan	Information integration of medical service	71,876	71,876	3,122	31.44%	53,636	31.44%	(14,210)	Not required to disclose	-
WMH	Free Bionics, Inc.	Cayman Island	Research and development, manufacturing and sales of medical instruments	270,850	270,850	10,100	40.15%	7,466	40.15%	(30,778)	Not required to disclose	-
WMH	PELL	Taiwan	Biotechnology service	182,366	182,366	6,047	11.21%	246,560	13.63%	(399,534)	Not required to disclose	-
WMH	BTI	Canada	Research and development, manufacturing and sales of medical instruments	215,780	215,780	4,212	33.61%	-	33.61%	(89,448)	Not required to disclose	-
WMMY	WAEI	India	Manufacturing, research and development, and design of automotive electronics and electronic related products	14,478	14,478	3,850	99.99%	14,897	99.99%	689	Not required to disclose	(Note)
WMMY	HCL	B.V.I.	Investment and holding	219,493	-	-	70.00%	210,749	70.00%	(1,909)	Not required to disclose	(Note)
WMT	BTA	Singapore	Sales of medical instruments	118,808	118,133	11,200	100.00%	41,067	100.00%	(101,279)	Not required to disclose	(Note)
WSSG	WIN	India	Sales and maintenance service center	1,805,085	1,805,085	14,344	99.99%	1,224,996	99.99%	(312)	Not required to disclose	(Note)
WSSG	WMMI	India	Manufacturing of information and communication products	7,091,641	2,993,708	1,363,529	99.99%	1,657,376	99.99%	(3,038,859)	Not required to disclose	(Note)
WSSG	WAEI	India	Manufacturing, research and development, and design of automotive electronics and electronic related products	-	-	-	0.01%	-	0.01%	689	Not required to disclose	(Note)
WYHQ	WYJP	Japan	Sales of cloud data center equipment	6,620	6,620	-	100.00%	360,068	100.00%	94,080	Not required to disclose	(Note)
WYHQ	WYUS	U.S.A.	Sales of cloud data center equipment	28,773,581	16,453,581	969,010	100.00%	30,792,233	100.00%	351,025	Not required to disclose	(Note)
WYHQ	WYHK	Hong Kong	Investing activities and sales of cloud data center equipment	12,181	12,181	400	100.00%	288,537	100.00%	27,369	Not required to disclose	(Note)
WYHQ	WYKR	South Korea	Sales of cloud data center equipment	2,903	2,903	20	100.00%	200,822	100.00%	25,870	Not required to disclose	(Note)
WYHQ	WYMY	Malaysia	Manufacturing and sales of cloud data center equipment	3,839,933	2,300,724	568,392	100.00%	3,634,746	100.00%	(130,008)	Not required to disclose	(Note)
WYHQ	WYMX	Mexico	Human resources service provision and manufacturing of cloud data center equipment	1,741,251	1,126,671	1,113,761	100.00%	2,884,214	100.00%	616,825	Not required to disclose	(Note)
WYHQ	WYSMX	Mexico	Sales of cloud data center equipment	58,025	58,025	40,444	100.00%	65,538	100.00%	(5,031)	Not required to disclose	(Note)
WYHQ	LIQUIDSTACK HOLDING B. V.	Netherlands	Research and development of liquid cooling technology	276,609	276,609	1,000	15.13%	159,246	20.00%	(395,957)	Not required to disclose	-

(Note): The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 11 Information on investment in Mainland China
1. Information on investment in Mainland China:

(TWD : expressed in thousands)

Investee in Mainland China	Main Businesses and Products	Total amounts of paid-in capital		Method of investment	Accumulated amounts of remittance from Taiwan as of January 1, 2023		Investment flows		Accumulated amounts of remittance from Taiwan as of December 31, 2023	Net income (loss) of the investee	Highest percentage of shares during the period	Direct / indirect shareholding by the Company	Investment income (losses) recognized by the Company		Carrying amount of the investment as of December 31, 2023	Accumulated inward remittance of earnings as of December 31, 2023	Note
							Outflow	Inflow									
Wistron InfoComm (Zhongshan) Corporation	Manufacturing and sales of information technology products	7,394,068	(Note 1)	(Note 30)2	7,394,179	(Note 1)	-	-	7,394,179	1,174,899	100.00%	100.00%	1,174,899	(Note 31)2	21,154,541	-	(Note 32)
Wistron InfoComm (Shanghai) Corporation	Research, development, design, testing and sales of computers software	31,691	-	(Note 30)2	31,691	-	-	-	31,691	316	100.00%	100.00%	316	(Note 31)2	46,905	-	(Note 32)
Wistron InfoComm Technology (Zhongshan) Co., Ltd.	Human resource services and sales of LCD monitor	67,510	-	(Note 30)2	67,510	-	-	-	67,510	78,484	100.00%	100.00%	78,484	(Note 31)2	940,773	-	(Note 32)
Wistron InfoComm (Kunshan) Co., Ltd.	Manufacturing and sales of information technology products	1,085,212	(Note 2)	(Note 30)2	1,085,212	(Note 2)	-	-	1,085,212	24,429	100.00%	100.00%	24,429	(Note 31)2	10,395,662	-	(Note 32)
Wistron Service (Kunshan) Corp.	Sales and maintenance service center in Asia	12,287	-	(Note 30)2	12,287	-	-	-	12,287	62,953	100.00%	100.00%	62,953	(Note 31)2	852,095	-	(Note 32)
SMS (Kunshan) Co., Ltd	Sales and maintenance service center in Mainland China	806,230	-	(Note 30)2	806,230	-	-	-	806,230	90,453	100.00%	100.00%	90,453	(Note 31)2	2,077,845	-	(Note 32)
Wistron InfoComm (Taizhou) Co., Ltd.	Manufacturing and sales of LCD monitor and touch display module	4,929,489	-	(Note 30)2	4,929,489	-	-	-	4,929,489	(456,782)	100.00%	100.00%	(456,782)	(Note 31)2	(6,010,926)	-	(Note 32)
WIS PRECISION (KUNSHAN) CO., LTD.	Manufacturing and sales of computer shell and mold plastic	795,220	-	(Note 30)2	231,014	-	-	-	231,014	33,228	28.88%	28.88%	9,596	(Note 31)3	167,016	-	-
T-CONN PRECISION(Zhongshan) CORPORATION	Production of telecommunication equipment and coupling for special purpose	234,991	-	(Note 30)2	85,873	(Note 3)	-	-	85,873	24,331	21.30%	20.60%	5,122	(Note 31)3	63,437	-	-
Wistron Optronics (Kunshan) Co. , Ltd.	Production of communication products and components	3,676,442	-	(Note 30)2	3,632,613	-	-	-	3,632,613	(37,217)	100.00%	100.00%	(37,217)	(Note 31)2	3,688,387	-	(Note 32)
Wistron Optronics (Shanghai) Co., Ltd.	Sales of communication products and components	131,044	-	(Note 30)2	131,044	-	-	-	131,044	4,936	100.00%	100.00%	4,936	(Note 31)2	83,429	-	(Note 32)
HSIEH-YUH ELECTRONICS TECHNOLOGY (ZHONG SHAN) CO., LTD.	Production and management of new-type electronic components	426,055	(Note 18)	(Note 30)2	79,722	-	-	-	79,722	32,038	26.08%	26.08%	-	(Note 31)3	-	-	-
LIAN-YI PRECISION (ZHONGSHAN) INC.	Manufacturing of high-temperature resistant insulation materials and molded insulation products; and assembly of computer, server and the peripheral equipment.	1,124,931	-	(Note 30)2	332,795	-	-	-	332,795	(9,548)	28.88%	28.88%	(2,758)	(Note 31)3	(420,587)	-	-
WIS PRECISION (TAIZHOU) CO., LTD.	Sales of new-type alloy(Mg.-X-Al.) material	2,220,502	-	(Note 30)2	643,191	-	-	-	643,191	(216,452)	28.88%	28.88%	(62,511)	(Note 31)3	503,669	-	-
Hartec Technology (Kunshan) Co., Ltd.	Production and sales of electronic high-tech nano material	516,917	-	(Note 30)2	128,815	-	-	-	128,815	(362,734)	20.02%	20.02%	(72,619)	(Note 31)3	116,964	-	-
Wistron Advanced Materials(Kunshan) Co. Ltd	Research and development, manufacturing and sales of electronic regeneration ecofriendly plastic goods	953,939	-	(Note 30)2	953,939	-	-	-	953,939	6,278	100.00%	100.00%	6,278	(Note 31)2	18,021	-	(Note 32)
Zongshan Global Lighting Technology Limited Co.	Manufacturing and sales of LGP, backlight and related light-electronic components	445,825	-	(Note 30)2	72,007	-	-	-	72,007	NA	16.23%	16.23%	-	-	74,824	-	-
Wistron InfoComm (CHONGQING) Co.Ltd.	Assembly and manufacturing and sales of Notebook computer	583,823	-	(Note 30)2	583,823	-	-	-	583,823	1,059,330	100.00%	100.00%	1,059,330	(Note 31)2	6,254,516	-	(Note 32)
Wistron Investment (Sichuan) Co., Ltd.	Investment and holding	2,501,366	-	(Note 30)2	2,501,366	(Note 5)	-	-	2,501,366	1,506,502	100.00%	100.00%	1,506,502	(Note 31)2	9,537,455	-	(Note 32)
Wistron InfoComm (Chengdu) Co., Ltd.	Assembly and manufacturing and sales of Notebook computer	2,396,524	-	(Note 30)2	2,396,524	(Note 5)	-	-	2,396,524	1,500,850	100.00%	100.00%	1,500,850	(Note 31)2	9,438,352	-	(Note 32)
Wistron InfoComm Technology Service (Kunshan) Co., Ltd	Research and development and design of electronic calculator and other electronic products	59,042	-	(Note 30)2	59,042	-	-	-	59,042	(88,200)	100.00%	100.00%	(88,200)	(Note 31)2	(128,515)	-	(Note 32)
Shenzhen Keen High Technologies Ltd	Manufacturing of digital photo frame, MP3, MP4 and GPS	198,648	-	(Note 30)2	31,110	(Note 6)	-	-	31,110	NA	15.17%	15.17%	-	-	-	-	-

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Table 11 Information on investment in Mainland China
1. Information on investment in Mainland China:

(TWD : expressed in thousands)

Investee in Mainland China	Main Businesses and Products	Total amounts of paid-in capital		Method of investment	Accumulated amounts of remittance from Taiwan as of January 1, 2023		Investment flows		Accumulated amounts of remittance from Taiwan as of December 31, 2023	Net income (loss) of the investee	Highest percentage of shares during the period	Direct / indirect shareholding by the Company	Investment income (losses) recognized by the Company		Carrying amount of the investment as of December 31, 2023	Accumulated inward remittance of earnings as of December 31, 2023	Note
							Outflow	Inflow									
SMS InfoComm(Chongqing) Co.,Ltd.	Sales and distribution of computer products and components	126,838	-	(Note 30)1	126,838	-	-	-	126,838	11,661	100.00%	100.00%	11,661	(Note 31)2	430,315	-	(Note 32)
Wiwynn Technology Service KunShan Ltd.	Sales of cloud data center equipment	10,659	-	(Note 30)3	10,659	(Note 25)	-	-	10,659	15,881	43.44%	42.82%	6,852	(Note 31)2	51,374	-	(Note 32)
ICA Inc.	Research and development, design, manufacturing, sales, and maintenance of intelligent terminals	91,991	-	(Note 30)2	-	-	-	-	-	(224)	20.00%	20.00%	(4,164)	(Note 31)3	-	-	-
Wistron Medical Tech (Chongqing) CO., LTD.	Production of medical instruments	94,500	-	(Note 30)3	-	-	-	-	-	(7,813)	92.65%	92.65%	(7,203)	(Note 31)2	(45,183)	-	(Note 32)
XTRONICS(Nanjing) Automotive Intelligent Technologies Co., Ltd.	Virtual image Head-up display and new energy car high-power charging device	538,557	(Note 24)	(Note 30)3	-	-	-	-	-	(7,257)	33.41%	33.41%	(2,427)	(Note 31)3	129,819	-	-
XTRONICS(Kunshan)Electronics Technology Co., Ltd	Research and development, production and sales of automotive electronics, automotive parts, smart consumer equipment and telematics	217,707	-	(Note 30)3	-	-	-	-	-	(65,910)	100.00%	100.00%	(65,910)	(Note 31)2	252,919	-	(Note 32)
Wistron InfoComm Computer (Chengdu)Co.,Ltd	Assembly and manufacturing and sales of Notebook computer	28,258	-	(Note 30)2	-	-	-	-	-	5,132	100.00%	100.00%	5,132	(Note 31)2	12,754	-	(Note 32)
Wistron Green Recycling Technology (Kunshan) Co., Ltd.	Research and development and sales of new-type material and regeneration ecofriendly plastic goods	26,470		(Note 30)3	-		-	-	-	12,043	100.00%	100.00%	12,043	(Note 31)2	37,772	-	(Note 32)

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2. Limitation on investment in Mainland China

(TWD : expressed in thousands)

Company	Accumulated amounts investment in Mainland China as of December 31, 2023 (Note 1)、(Note 2)、(Note 3)、(Note 4)、(Note 5)、(Note 7)、(Note 8)、(Note 9)、(Note 10)、(Note 11) 、(Note 12) 、(Note 13)、(Note 14)、(Note 19)、(Note 20)、(Note 21)、(Note 22)、(Note 23)、(Note 25) and (Note 27)	Investment amounts authorized by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 4)、(Note 15)、(Note 25) and (Note 27)	Ceiling on investment in Mainland China imposed by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 16)、(Note 26) and (Note 28)
Wistron Corporation	24,440,904 (USD 788,612,330)	14,256,977 (USD 463,305,006)&(CNY 4,000,000)	-
Wiwynn Corporation	10,659 (USD 350,000)	10,757 (USD 350,000)	25,340,431
Kaohsiung Opto-Electronics Inc.	14 (USD 483)	0 (USD 0)	-

(Note 1) The Company invested the amount of USD5,150,000 (approximately TWD149,551) in BRIVISION OPTRONICS (L) CORP, acquiring 50.99% of its share; therefore, resulting in an indirect ownership of BriVision Optronics (Zhongshan) Corp. with the same amount of shares. The application to transfer the investment in Mainland China has been authorized by the Investment Commission, MOEA on January 17, 2013. Therefore, the accumulated investment amount in Mainland China will be revised in accordance with the amount authorized by the Investment Commission. Also, Cowin, one of 100% owned subsidiaries of the Company, merged with BRIVISION OPTRONICS(L) CORP. by exchanging 1 share for 1.89 share on November 14, 2013. After the merger, Cowin became the existing company, while Brivision was liquidated in the first quarter of 2015. Therefore, 100% ownership of BriVision Optronics (Zhongshan) Corp. was transferred to Cowin Worldwide Corporation in the second quarter of 2014.
Wistron InfoComm (Zhongshan) Corporation, in which the Company indirectly owned 100% of its shares, merged with BriVision Optronics (Zhongshan) Corp. in the second quarter of 2015, resulting in an increase in the investment capital of Wistron InfoComm (Zhongshan) Corporation to USD218,050,000 (approximately TWD6,872,015), which was authorized by the Investment Commission on July 31, 2015. Also, Wistron InfoComm (Zhongshan) Corporation merged with AII Technology (Zhong Shan) Co., Ltd., one of 100% owned subsidiaries of the Company, in the first quarter of 2017, resulting in an increase in the investment capital of Wistron InfoComm (Zhongshan) Corporation to USD234,000,000 (approximately TWD7,394,179), which was authorized by Investment Commission on December 26, 2016.

(Note 2) Wistron InfoComm (Kunshan) Co., Ltd. merged with Wistron InfoComm Technology (Kunshan) Co., Ltd. in the first quarter of 2015, both entities are 100% owned subsidiaries of the Company, resulting in an increase in the investment capital of Wistron InfoComm (Kunshan) Co., Ltd. to USD32,000,000 (approximately TWD1,085,212), which was authorized by the Investment Commission on January 23, 2015.

(Note 3) On January 24, 2005, the Company applied to the Investment Commission for the revision of the amount of its indirect investment in T-CONN PRECISION (Zhongshan) CORPORATION from USD638,000 to USD550,000, and the application was authorized on February 15, 2005. Also, Super Elite Ltd. acquired Hong Kong Comtek Electronics Co. Ltd. by issuing new shares through stock exchange, resulting in a decrease in the of the Company's investment amount in T-CONN PRECISION (Zhongshan) CORPORATION by USD339,995 (approximately TWD9,793); and the application was authorized by the Investment Commission on May 17, 2012.

(Note 4) The Company indirectly invested in the capital of Wistron Optronics (Kunshan) Co., Ltd. and Wistron Optronics (Shanghai) Corporation, through Wistron Optronics Corporation (WOC) and its subsidiary, WinDisplay, amounting to TWD64,701 and TWD4,877, respectively. However, on March 10, 2007, WOC was merged with WOD Co., Ltd (WOD), a fully owned subsidiaries of the Company. After the merger, WOD became the existing company while WOC being the dissolved entity, who transferred its investment amount, which had been authorized by the Investment Commission on June 14, 2007, to WOD. On the other hand, AIIH transferred the shares of WinDisplay and its subsidiaries to WOD on June 25, 2007 in accordance with the agreement. The Company applied for the transfer of investment amount, which had been authorized by the Investment Commission on July 18, 2007. Therefore, the accumulated investment amount in Mainland China would be revised in accordance with the amount authorized by Investment Commission. On August 17, 2007, WOD Co., Ltd. was renamed as Wistron Optronics Corporation.

(Note 5) The investment in Wistron InfoComm (Chengdu) Co., Ltd., through Wistron Investment (Sichuan) Co., Ltd., was authorized by the Investment Commission. The amount of accumulated investment in Mainland China had increased by USD83,500,000 (approximately TWD2,501,366).

(Note 6) The Board of Directors of Shenzhen Keen High Technologies Ltd., in which the Company indirectly invested in, the court ruled that the application for bankruptcy and liquidation procedures was completed on December 29, 2016.

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2. Limitation on investment in Mainland China

(Note 7) Shenzhen Jin Zhi Feng Electronic Co., Ltd, in which the Company indirectly invested in, had completed the cancellation of its business registration. The said investment capital amounting to USD2,331,508.7, which entitled the Company to a full ownership of the entity, had been remitted to KJF Technology Ltd. and was authorized by the Investment Commission on January 12, 2015. However, according to the regulation, the remittance to Mainland China amounting to USD104,452 (approximately TWD3,155) was included in the accumulated investment amount.

(Note 8) Dong Guan Comtek Electronics Co., Limited, in which the Company indirectly invested in, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to CNY449,415.79, which entitled the Company to a full ownership of the entity, had been remitted to Hong Kong Comtek Electronics Co. Ltd. and was authorized by the Investment Commission on July 15, 2013. However, according to the regulation, the remittance to Mainland China amounting to USD179,344 (approximately TWD5,371), was included in the accumulated investment amounts.

(Note 9) Top-Glory Electronic (Zhongshan) Co., Ltd., in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD18,268.22, which entitled the Company to an 11% ownership of the entity, had been remitted to Super Elite Ltd. and was authorized by the Investment Commission on March 25, 2010. However, according to the regulation, the remittance to Mainland China amounting to USD33,000 (TWD1,071) was included in the accumulated investment amounts.

(Note 10) Changshu Pu Yuan electronics Co., Ltd., in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD3,895,791.97, which entitled the Company to a full ownership of the entity, had been remitted to Park Orchid, which was liquidated afterwards. The capital incurred from the liquidation of Park Orchid amounting to USD2,461,084.65 was remitted to Win Smart. With that said, the capital amount of USD2,461,084.65 entitled the Company to a 46.875% ownership of to Win Smart. Therefore, the accumulated investment amount in Mainland China was revised to USD2,812,500 on April 24, 2012, and was authorized by the Investment Commission on April 30, 2012. However, according to the regulation, the remittance to Mainland China amounting to USD2,812,500 (TWD84,714) was included in the accumulated investment amounts.

(Note 11) Wistron optronics (Shanghai) Corporation, in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD58,823.63, which entitled the Company to a full ownership of the entity, had been remitted to WDC and was authorized by the Investment Commission on December 16, 2011. However, according to the regulation, the remittance to Mainland China amounting to USD1 was included in the accumulated investment amounts.

(Note 12) Wistron Service (Shanghai) Co., Ltd., in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD6,507.67 (approximately TWD196), which entitled the Company to a full ownership of the entity, had been remitted to Taiwan and was authorized by the Investment Commission on March 6, 2012. The amount resulted in a decrease in the authorized investment amount. Also, the cancellation of investment was authorized by the Investment Commission on December 8, 2011. However, according to the regulation, the remittance to Mainland China amounting to USD133,492.33 (approximately TWD4,350) was included in the accumulated investment amounts.

(Note 13) WIT Precision (Taizhou) Co., Ltd., in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD18,577.5 (approximately TWD556), which entitled the Company to a 30% ownership of the entity, had been remitted to Taiwan and was authorized by the Investment Commission on September 18, 2012. The amount resulted in a decrease in the authorized investment amount. Also, the cancellation of investment of the Company had already been authorized. However, according to the regulation, the remittance amounting to USD1,241,422.5 (approximately TWD39,449) was included in the accumulated investment amounts.

(Note 14) Zhongshan Deyi Electrical Equipment Co.,Ltd.(Deyi), in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD525,684.97, which entitled the Company to a full ownership of the entity, had been remitted to FULLERTON LTD. On October 22, 2013, the Company applied for a revision of its indirect investment in Deyi amounting to USD161,314, which had been authorized by the Investment Commission on October 28, 2013. Afterwards, the cancellation of investment of the Company was authorized by the Investment Commission on November 4, 2013. However, according to the regulation, the remittance to Mainland China amounting to (approximately TWD5,121) was included in the accumulated investment amounts.

(Note 15) The amounts translated were using the spot rates on December 31, 2023.

(Note 16) On November 15, 2023, the Company obtained the Certificate of Qualified Operating Headquarters, which was issued by the Department of Industrial Development, Ministry of Economic Affairs, in accordance with the revised "Approval Guidelines for Engagement in Investments or Technological Cooperation in Mainland China" and "Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China" that was announced on August 22, 2008. Therefore, the Company was not restricted or limited, in anyway, regarding the investment amount in Mainland China.

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2. Limitation on investment in Mainland China

(Note 17) Wistron InfoComm (CHONGQING) Co. Ltd., one of the fully directly owned subsidiaries of the Company, used its own capital to invest in ICA Inc.; the transaction was not restricted or limited, in anyway, regarding the investment amount in Mainland China.

(Note 18) HSIEH-YUH ELECTRONICS TECHNOLOGY (ZHONG SHAN) CO., LTD. merged with BriVision Optronics (Zhongshan) Corp. in the fourth quarter of 2016, both entities are fully owned subsidiaries of the Company, resulting in an increase in the investment capital of HSIEH-YUH ELECTRONICS TECHNOLOGY (ZHONG SHAN) CO., LTD. to USD2,452,912 (approximately TWD79,722), which was authorized by the Investment Commission on November 30, 2016.

(Note 19) The Company invested the amount of USD16,961 (approximately TWD513) in WIEDU HONG KONG LIMITED, acquiring 18.73% of its share; therefore, resulting in an indirect ownership of Weshtek Information Technology Services Co., Ltd., Shanghai (Weshtek), whose entire shares are held by the Company.
Weshtek, in which the Company indirectly invested, had been liquidated in the 4th quarter of 2022, resulting in the investment capital amounting to USD71,931.41 to be remitted to WiEdu Hong Kong Limited, liquidation process completed as of reporting date. However, according to the regulation, the remittance to Mainland China amounting to TWD22,449 needs to be included in the accumulated investment amounts.

(Note 20) The indirect investment in Wistron Investment (Jiangsu) Co., Ltd. a holding company, through Win Smart Co., Ltd. with amount of USD200,000,000, was authorized by the Investment Commission on December 18, 2017. Till the second quarter of 2019, the remittance to Mainland China was only USD100,000,000 (approximately TWD3,117,440). Wistron Investment (Jiangsu) Co., Ltd. invested the amount of USD100,000,000 (approximately TWD3,055,830) in Wistron InfoComm Manufacturing (Kunshan) Co., Ltd. acquiring 78.13% of its share in the fourth quarter of 2019. The cancellation of the original investment plan of USD100,000,000 which had not been implemented was authorized by the Investment Commission on November 13,2020. The application that Win Smart Co., Ltd. disposed the entire shares of Wistron Investment (Jiangsu) Co., Ltd. and Wistron InfoComm Manufacturing (Kunshan) Co., Ltd. was authorized by the Investment Commission on February 18, 2021. The investment amounting to USD380,000,000 (approximately TWD10,620,040) was remitted to Taiwan through Win Smart Co afterwards. However, according to the regulation, the remittances to Mainland China amounting to USD100,000,000 (approximately TWD3,117,440) for Wistron Investment (Jiangsu) Co., Ltd. and USD28,000,000 (approximately TWD939,420) for Wistron InfoComm Manufacturing (Kunshan) Co., Ltd. were included in the accumulated investment amounts.

(Note 21) Wistron InfoComm (Qingdao) Co.,Ltd, Limited, in which the Company indirectly invested in, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD7,123,297.09, which entitled the Company to a full ownership of the entity, had been remitted to WISTRON HONG KOMG HOLDING LIMITED. and was authorized by the Investment Commission on March 14, 2018. However, according to the regulation, the remittance to Mainland China amounting to USD6,000,000 (approximately TWD179,436), was included in the accumulated investment amounts.

(Note 22) Wiwynn Technology Service (Beijing) Limited, in which the Company indirectly invested in, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to CNY7,543.21, which entitled the Company to a full ownership of the entity, had been remitted to WIN SMART CO., LTD. and was authorized by the Investment Commission on May 18, 2018. However, according to the regulation, the remittance to Mainland China amounting to USD2,899,788.94 (approximately TWD86,742) was included in the accumulated investment amounts.

(Note 23) ANWITH (KunShan) CO.,LTD. in which the Company indirectly invested in, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD2,023,982.58, which entitled the Company to a full ownership of the entity, had been remitted to WISTRON HONG KONG LIMITED. and was authorized by the Investment Commission on October 19, 2018. However, according to the regulation, the remittance to Mainland China amounting to USD3,000,000 (approximately TWD89,256) was included in the accumulated investment amounts.

(Note 24) Wistron InfoComm (Kunshan) Co., Ltd., in which the Company indirectly invested, invested the amount of CNY47,118,000 (TWD209,859) in Xtronics (Nanjing) Electronics Technology Co., acquiring 31.41% of its share in the fourth quarter of 2018, with which the change of its business registration had been completed in the first quarter of 2019. Xtronics Innovation Ltd. has agreed to transfer 2% of its shares to Wistron InfoComm (Kunshan) Co. Ltd., in which the Company indirectly invested. Wistron InfoComm (Kunshan) Co. Ltd. invested the amount of CNY3,000,000 (approximately TWD13,790) in Xtronics (Nanjing) Electronics Technology Co., acquiring 33.41% of its share in the second quarter of 2019.

(Note 25) Wiwynn Technology Service Hong Kong Limited used its own Capital to invest in WYKS .

(Note 26) Wiwynn Corporation's amount of upper limit on investment was the higher between sixty percent of WYHQ's net worth or the consolidated net worth.

(Note 27) KOEKS, in which the Company has an indirect interest, ceased its operations in second quarter of 2023, wherein its rights and obligations have been liquidated and its business registration has been cancelled, with the liquidation share capital of USD299,516.98 having been remitted back to Kaohsiung Opto-Electronics Inc. All relevant procedures for the cancellation of the investment to the MOEA had been approved on June 27, 2023. However, the investment amount of USD299,516.98 (TWD8,989) remitted from Taiwan to Mainland China still needs to be deducted according to the regulations of MOEA.

WISTRON CORPORATION AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

2. Limitation on investment in Mainland China

(Note 28) Since Kaohsiung Opto-Electronics Inc. has notified the MOEA on the cancellation of its investment in KOEKS, it no longer has any investment limit in the Mainland China.

(Note 29) The Company transferred its entire shareholdings in Kunshan Changnun Precision Casting Co., Ltd., in which the Company indirectly invested in third quarter of 2023. The said investment capital amounting to CNY1,528,908 (TWD 6,759) had been remitted to Wise Cap Limited Company, with the approval of the Investment Commission on September 11, 2023.

(Note 30) To invest in Mainland China by:
1. Direct investment in Mainland China.
2. Indirect investment in Mainland China through a foreign company.
3. Others

(Note 31) Recognized share of associates and joint ventures accounted for equity method:
1. The financial statements of the investee company were audited by the international accounting firms which cooperated with R.O.C. accounting firms.
2. The financial statements of the investee company were audited by the Group's auditor.
3. Others

(Note 32) The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

3. Significant transactions

The significant transactions of the entities in China in which the Company, directly or indirectly owned, refer to Table 1 to Table 11.

6.5 Parent Company only Financial Statements

KPMG
安侯建業聯合會計師事務所
KPMG
台北市11049信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5, Xinyi Road, Taipei City 11049, Taiwan (R.O.C.)
Telephone 電話 + 886 (2) 8101 6666
Fax 傳真 + 886 (2) 8101 6667
Internet 網址 kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Wistron Corporation:

Opinion

We have audited the parent company only financial statements of Wistron Corporation("the Company"), which comprise the balance sheets as of December 31, 2023 and 2022, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition

   Please refer to Note 4(r) "Revenue from contracts with customers" for accounting policy, and Note 6(u) for the relevant disclosures for revenue recognition to the financial statements.

   Description of key audit matter

   The Company is a listed company influencing the public interest, and its financial performance is highly expected by the investors. Therefore, the revenue recognition has been identified as a key audit matter.

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   In relation to the key audit matter above, our audit procedures included:

   - Testing the Company's controls surrounding the revenue recognition and cash collection for key manual and system base controls, tracing general ledgers to sales systems and reconciling the differences.
   - Understanding the types of revenue, contract provisions and transaction terms to assess the accuracy of the timing of revenue recognition.
   - Conducting the variance analysis on the revenue from major customers to evaluate if there are significant unusual transactions.
   - Inspecting whether there are any significant sales returns and allowances after year end to assess the reasonableness of the transactions.

2. Valuation of slow-moving inventories

   Please refer to Note 4(g) "Inventory" for accounting policy, Note 5 for accounting assumption and estimation uncertainty of inventory, and Note 6(g) for the disclosure of the valuation of inventory to the financial statements.

   Description of the key audit matter

   Inventory stock due to sales demands, production, and repair service forecasting, may lead to product obsolescence, which might fail to meet the market demands, and a decline in orders. Consequently, the valuation of slow-moving inventories has been identified as one of our key audit matters.

   In relation to the key audit matter above, our audit procedures included:

   - Verifying the appropriateness of the Company's inventory valuation policy and assessing if the obsolete stocks have been included in the aforesaid evaluation.
   - Reviewing the inventory aging reports, as well as analyzing the variation of inventories to ensure its accuracy.
   - Examining each obsolete and damaged goods which were identified by the management.
   - Evaluating the adequacy of the disclosure of inventory allowance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

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Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Tang, Chia-Chien and Huang, Ming-Hung.

KPMG KPMG

Taipei, Taiwan (Republic of China)
March 12, 2024

Notes to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the 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 parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION

Parent Company Only Balance Sheets

December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 2,416,303	1	10,252,203	3
1110	Current financial assets at fair value through profit or loss (note 6(b))	2,570	-	152,284	-
1136	Current financial assets at amortized cost, net (note 6(c))	-	-	298,652	-
1170	Note and trade receivables, net (notes 6(e) and (u))	84,098,217	20	51,587,322	14
1180	Trade receivable-related parties (notes 6(e), (u) and 7)	154,972,880	36	127,587,415	35
1210	Other receivables-related parties (notes 6(f) and 7)	1,566,911	-	2,473,843	1
1220	Current tax assets	177	-	110,088	-
130X	Inventories (note 6(g))	29,128,462	7	37,705,721	10
1460	Non-current assets classified as held for sale (note 6(h))	1,657,376	-	-	-
1470	Other current assets (notes 6(f) and (l))	7,609,577	2	6,326,460	2
	Total current assets	281,452,473	66	236,493,988	65
	Non-current assets:				
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	47,794	-	73,392	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(d))	5,024,387	1	3,931,066	1
1535	Non-current financial assets at amortised cost, net (note 6(c))	10,000	-	-	-
1550	Equity-accounted investees (note 6(h))	113,039,934	27	103,485,451	29
1600	Property, plant and equipment (notes 6(i) and 7)	9,802,202	2	8,248,308	2
1755	Right-of-use assets (note 6(j))	2,073,634	1	2,237,841	1
1780	Intangible assets (notes 6(k) and 7)	863,456	-	905,873	-
1840	Deferred tax assets (note 6(q))	7,667,342	2	5,462,030	2
1900	Other non-current assets (notes 6(l) and 8)	1,797,873	1	909,710	-
	Total non-current assets	140,326,622	34	125,253,671	35
	Total assets	**$ 421,779,095**	**100**	**361,747,659**	**100**

	Liabilities and Equity	December 31, 2023 Amount	%	December 31, 2022 Amount	%
	Current liabilities:				
2100	Short-term loans (notes 6(m) and (aa))	$ 66,268,203	16	74,037,266	20
2120	Current financial liabilities at fair value through profit or loss (note 6(b))	187,097	-	161	-
2130	Current contract liabilities (note 6(u))	3,611,602	1	2,650,518	1
2170	Note and trade payables	47,742,269	11	42,449,801	12
2180	Trade payable-related parties (note 7)	134,460,748	32	92,351,702	25
2220	Other payables-related parties (note 7)	1,765,042	1	1,677,387	-
2280	Current lease liabilities (notes 6(n) and (aa))	363,391	-	377,509	-
2322	Current portion of long-term loans (notes 6(m) and (aa))	714,336	-	5,527,440	2
2365	Current refund liability (note 6(u))	11,797,625	3	7,828,669	2
2399	Other current liabilities (notes 6(m) and (w))	28,319,604	6	24,860,019	8
	Total current liabilities	295,229,917	70	251,760,472	70
	Non-current liabilities:				
2540	Long-term loans (notes 6(m) and (aa))	17,605,337	4	9,402,653	3
2570	Deferred tax liabilities (note 6(q))	1,751,902	1	1,429,130	-
2580	Non-current lease liabilities (notes 6(n) and (aa))	1,475,594	-	1,589,163	-
2600	Other non-current liabilities (notes 6(m), (p) and (aa))	1,492,234	-	1,184,092	-
	Total non-current liabilities	22,325,067	5	13,605,038	3
	Total liabilities	317,554,984	75	265,365,510	73
	Equity (notes 6(d), (h), (r) and (s)) :				
3110	Ordinary shares	28,997,661	7	29,016,021	8
3200	Capital surplus	37,389,984	9	35,050,440	10
3300	Retained earnings	40,680,803	10	36,357,506	10
3400	Other equity	(1,934,548)	(1)	(2,550,702)	(1)
3500	Treasury shares	(909,789)	-	(1,491,116)	-
	Total equity	104,224,111	25	96,382,149	27
	Total liabilities and equity	**$ 421,779,095**	**100**	**361,747,659**	**100**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION

Parent Company Only Statements of Comprehensive Income

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, except for earnings per share)

		2023 Amount	%	2022 Amount	%
4000	**Net revenues (notes 6(u) and 7)**	$ 635,223,077	100	686,828,694	100
5000	**Cost of sales (notes 6(g), (i), (j), (k), (n), (p), (s), (w), 7 and 12)**	602,252,742	95	655,164,677	95
5900	**Gross profit**	32,970,335	5	31,664,017	5
5910	Unrealized profit from sales	(813,511)	-	(804,140)	-
5950	**Net gross profit**	32,156,824	5	30,859,877	5
6000	**Operating expenses (notes 6(e), (f), (i), (j), (k), (n), (p), (s), (w), 7 and 12):**				
6100	Selling	3,249,537	1	3,962,320	1
6200	Administrative	4,459,466	1	4,025,078	1
6300	Research and development	16,163,552	2	16,992,827	2
	Total operating expenses	23,872,555	4	24,980,225	4
6900	**Operating income**	8,284,269	1	5,879,652	1
7000	**Non-operating income and expenses (notes 6(h), (l), (n), (o), (v), (x), 7 and 12):**				
7100	Interest income	157,077	-	169,445	-
7010	Other income	194,123	-	188,960	-
7020	Other gains and losses	1,081,102	-	3,318,793	1
7050	Finance costs	(6,160,669)	(1)	(3,984,908)	(1)
7070	Recognized share of subsidiaries, associates and joint ventures accounted for equity method	8,448,495	2	5,362,139	1
	Total non-operating income and expenses	3,720,128	1	5,054,429	1
7900	**Profit before tax**	12,004,397	2	10,934,081	2
7950	Less: income tax expenses (benefit) (note 6(q))	532,781	-	(228,370)	-
8200	**Net profit**	11,471,616	2	11,162,451	2
8300	**Other comprehensive income (notes 6(h), (p), (q), (r) and (x))**				
8310	**Components of other comprehensive income (loss) that will not be reclassified to profit or loss**				
8311	Gains (losses) on remeasurements of defined benefit plans	(49,281)	-	247,608	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	532,089	-	(945,769)	-
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(18,432)	-	106,956	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(72,873)	-	54,803	-
		537,249	-	(646,008)	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(139,351)	-	7,125,045	-
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	269,475	-	381,173	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		130,124	-	7,506,218	-
	Other comprehensive income	667,373	-	6,860,210	-
8500	**Total comprehensive income**	**$ 12,138,989**	**2**	**18,022,661**	**2**
	Earnings per share (in dollars) (note 6(t))				
9750	**Basic earnings per share**	**$ 4.08**		**4.01**	
9850	**Diluted earnings per share**	**$ 3.98**		**3.84**	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION

Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings				Other equity					
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Deferred compensation arising from issuance of restricted shares	Total	Treasury shares	Total equity
Balance at January 1, 2022	$ 29,032,521	28,834,524	9,964,169	6,846,521	14,287,997	31,098,687	(8,731,426)	(59,222)	(650,887)	(9,441,535)	(1,607,259)	77,916,938
Net profit	-	-	-	-	11,162,451	11,162,451	-	-	-	-	-	11,162,451
Other comprehensive income	-	-	-	-	245,513	245,513	7,513,416	(898,719)	-	6,614,697	-	6,860,210
Total comprehensive income	-	-	-	-	11,407,964	11,407,964	7,513,416	(898,719)	-	6,614,697	-	18,022,661
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	1,050,417	-	(1,050,417)	-	-	-	-	-	-	-
Special reserve	-	-	-	1,944,127	(1,944,127)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(6,257,863)	(6,257,863)	-	-	-	-	-	(6,257,863)
Changes in equity of associates and joint ventures accounted for using equity method	-	302,059	-	-	(203)	(203)	-	-	-	-	-	301,856
Treasury shares transferred to employees	-	(2,888)	-	-	-	-	-	-	-	-	116,143	113,255
Changes in ownership interests in subsidiaries	-	(70,095)	-	-	(1,040)	(1,040)	-	-	-	-	-	(71,135)
Disposal of part of the equity of the subsidiary	-	6,002,507	-	-	-	-	16,821	-	-	16,821	-	6,019,328
Share-based payment transactions	(16,500)	(43,308)	-	-	396	396	-	-	368,880	368,880	-	309,468
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	109,565	109,565	-	(109,565)	-	(109,565)	-	-
Others	-	27,641	-	-	-	-	-	-	-	-	-	27,641
Balance at December 31, 2022	29,016,021	35,050,440	11,014,586	8,790,648	16,552,272	36,357,506	(1,201,189)	(1,067,506)	(282,007)	(2,550,702)	(1,491,116)	96,382,149
Net profit	-	-	-	-	11,471,616	11,471,616	-	-	-	-	-	11,471,616
Other comprehensive income	-	-	-	-	(24,502)	(24,502)	(269,122)	960,997	-	691,875	-	667,373
Total comprehensive income	-	-	-	-	11,447,114	11,447,114	(269,122)	960,997	-	691,875	-	12,138,989
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	1,151,668	-	(1,151,668)	-	-	-	-	-	-	-
Special reserve	-	-	-	(6,521,953)	6,521,953	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(7,400,801)	(7,400,801)	-	-	-	-	-	(7,400,801)
Changes in equity of associates and joint ventures accounted for using equity method	-	645,101	-	-	3,449	3,449	-	-	-	-	-	648,550
Treasury shares transferred to employees	-	(13,627)	-	-	-	-	-	-	-	-	581,327	567,700
Changes in ownership interests in subsidiaries	-	63,192	-	-	26,243	26,243	-	-	-	-	-	89,435
Disposal of part of the equity of the subsidiary	-	1,384,798	-	-	-	-	(10,704)	-	-	(10,704)	-	1,374,094
Share-based payment transactions	(18,360)	196,457	-	-	-	-	-	-	182,275	182,275	-	360,372
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	247,292	247,292	-	(247,292)	-	(247,292)	-	-
Others	-	63,623	-	-	-	-	-	-	-	-	-	63,623
Balance at December 31, 2023	$ 28,997,661	37,389,984	12,166,254	2,268,695	26,245,854	40,680,803	(1,481,015)	(353,801)	(99,732)	(1,934,548)	(909,789)	104,224,111

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese.)

WISTRON CORPORATION

Parent Company Only Statements of Cash Flows

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars)

	2023	2022
Cash flows used in operating activities:		
Profit before tax	$ 12,004,397	10,934,081
Adjustments:		
Adjustments to reconcile profit		
Depreciation expense	1,545,685	1,262,212
Amortization expense	300,217	334,974
Gain on reversal of expected credit loss	(1,589)	(79,553)
Net losses (gains) on financial assets or liabilities at fair value through profit or loss	246,330	(189,100)
Interest expense	6,160,669	3,984,908
Interest income	(157,077)	(169,445)
Dividend income	(130,008)	(127,918)
Compensation cost arising from share-based payments	360,372	309,072
Shares of profit of subsidiary, associates and joint ventures accounted for using equity method	(8,448,495)	(5,362,139)
Loss (gain) on disposal of property, plant and equipment	15,184	(5,396)
Property, plant and equipment reclassified as (from) expenses	(5,483)	19,939
Other non-current assets reclassified as expenses	-	5,475
Net loss (gain) on disposal of investments	(25,994)	3,173
Other investment net loss (gain)	(85,146)	130,773
Unrealized profit from sales	813,511	804,140
Government grant income	(18,926)	-
Lease modification losses (gains)	(201)	45
Loss (gain) on foreign currency exchange arising from loans and guarantee deposits	(499,650)	7,479,838
Amortization of bank arrangement fees	15,287	12,612
Total adjustments to reconcile profit	84,686	8,413,610
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease (increase) in trade receivables	(32,512,501)	5,530,429
Decrease (increase) in trade receivables-related parties	(27,385,465)	39,498,377
Decrease (increase) in other receivables-related parties	606,932	(177,310)
Decrease (increase) in inventories	8,577,259	(5,337,704)
Increase in other current assets	(1,280,042)	(1,015,486)
Total changes in operating assets	(51,993,817)	38,498,306
Changes in operating liabilities:		
Increase in current contract liabilities	961,084	367,107
Increase in note and trade payables	5,292,468	4,208,166
Increase (decrease) in trade payables-related parties	42,109,046	(25,741,131)
Increase in other payables-related parties	87,655	863,871
Increase (decrease) in current refund liability	3,968,956	(2,605,672)
Increase in other current liabilities	4,227,508	2,650,794
Decrease in other non-current liabilities	(152,871)	(195,433)
Total changes in operating liabilities	56,493,846	(20,452,298)
Net changes in operating assets and liabilities	4,500,029	18,046,008
Total changes in operating assets and liabilities	4,584,715	26,459,618
Cash inflow generated from operations	16,589,112	37,393,699
Interest received	157,197	179,884
Dividends received	4,417,137	2,389,284
Interest paid	(6,313,584)	(3,594,877)
Income taxes paid	(2,816,130)	(148,491)
Net cash flows generated from operating activities	12,033,732	36,219,499
Cash flows generated from (used in) investing activities:		
Decrease in other receivables-related parties	300,000	706,020
Acquisition of financial assets at fair value through other comprehensive income	(1,354,423)	(533,961)
Proceeds from disposal of financial assets at fair value through other comprehensive income	947,802	225,223
Return of financial assets at fair value through other comprehensive income	7,971	2,732
Acquisition of financial assets at amortized cost	(10,000)	-
Proceeds from disposal of financial assets at amortized cost	298,652	1,105,394
Acquisition of financial assets at fair value through profit or loss	(46,664)	(55,470)
Proceeds from capital reduction of investments accounted for using equity method	193,478	1,790,841
Acquisition of equity-accounted investees	(6,240,065)	(4,738,063)
Partial disposal of the investment in the subsidiary	523,942	7,677,580
Acquisition of property, plant and equipment	(2,787,728)	(2,559,480)
Proceeds from disposal of property, plant and equipment	262,435	153,273
Increase in refundable deposits	(812,714)	(287,297)
Acquisition of intangible assets	(257,800)	(357,860)
Employee remunerations to subsidiaries' employees	(6,448)	(12,995)
Increase in other non-current assets	(145,022)	(284,267)
Net cash flows generated from (used in) investing activities	(9,126,584)	2,831,670
Cash flows generated used in financing activities:		
Increase in short-term loans	584,904,396	598,298,134
Repayments of short-term loans	(592,192,225)	(612,833,174)
Increase in long-term loans	32,496,751	16,236,100
Repayments of long-term loans	(29,104,427)	(27,755,433)
Increase in guarantee deposits received	399,629	278,630
Repayments of lease liabilities	(477,694)	(370,628)
Cash dividends paid	(7,400,801)	(6,257,467)
Treasury shares transferred to employees	567,700	113,255
Others	63,623	27,641
Net cash flows generated used in financing activities	(10,743,048)	(32,262,942)
Net increase (decrease) in cash and cash equivalents	(7,835,900)	6,788,227
Cash and cash equivalents at beginning of year	10,252,203	3,463,976
Cash and cash equivalents at ending of year	$ **2,416,303**	**10,252,203**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

For the years ended December 31, 2023 and 2022

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

Wistron Corporation (the "Company") was incorporated on May 30, 2001, as a company limited by shares under the laws of the Republic of China (ROC). In pursuant to a restructuring plan of Acer Inc. (AI) to improve its business performance and competitiveness, the Company was formed to acquire the net assets spun off from AI's DMS (Design, Manufacturing, and Service products) business.

The Company is currently engaged in the research, development, design, manufacturing, testing and sales of the following products and semi-finished products, and their peripheral equipment, parts and components:

(i) desktop computers, notebook computers, motherboards, servers, system platforms, high-speed and multi-function multiple-CPU computer systems, multi-media computers, network computers, consumer-type computers and special computers, micro-processors, CD-ROMs, PDAs, panel PCs, pocket computers and interface cards;

(ii) video and internet telephones, video conferencing equipment and telecommunication equipment;

(iii) digital satellite TV receivers, set - top boxes, digital video decoders and multi - media appliance products;

(iv) digital cameras, CD-ROM drives and DVD-ROM drives;

(v) wireless receiver products (mobile phones, wireless LAN cards, and Bluetooth communication modules);

(vi) LCD TVs and other electronic audio & visual products;

(vii) design and merchandising of computer software and programs;

(viii) import and export trade relevant to the business of this company;

(ix) maintenance and cleaning of electronics products;

(x) recycling of electronic waste;

(xi) in vitro diagnostic device, therapeutic equipment, intelligent assistive device, diagnostic x-ray unit, physiological signal diagnostic device and medical data system;

(xii) manufacturing, processing and selling of electronic products for automobile.

(Continued)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(2) Approval date and procedures of the financial statements:

The parent company only financial statements for the years ended December 31, 2023 and 2022 were authorized for issue by the Board of Directors on March 12, 2024.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its financial statements, from January 1, 2023:

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

The Company has initially adopted the following new amendment, which do not have a significant impact on its financial statements, from May 23, 2023:

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

(b) The impact of IFRS issued by the FSC but not yet effective

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2024, would not have a significant impact on its financial statements:

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

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The Company does not expect the following new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its 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 " Insurance Contracts"
- Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"
- Amendments to IAS21 "Lack of Exchangeability"

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(4) Summary of material accounting policies

The material accounting policies presented in the parent company only financial statements are summarized as follows. Except for those specifically indicated, the following accounting policies have been applied consistently to all periods presented in these parent company only financial statements.

(a) Statement of compliance

The parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language consolidated financial statements, the Chinese version shall prevail.

These parent company only financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the “Regulations”).

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the parent company only financial statements have been prepared on a historical cost basis:

1) Financial assets at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value;

3) The defined benefit liabilities are measured at fair value of the plan assets less the present value of the defined benefit obligation.

(ii) Functional and presentation currency

The functional currency of the Company is determined based on the primary economic environment in which the entity operates. The parent company only financial statements are presented in New Taiwan Dollar, which is the Company’s functional currency. All financial information presented in New Taiwan Dollar has been rounded to the nearest thousand.

(c) Foreign currency

(i) Foreign currency transaction

Transactions in foreign currencies are translated into the functional currency of the Company at exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for those differences relating to the following, which are recognized in other comprehensive income:

- an investment in equity securities designated as at fair value through other comprehensive income;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedges are effective.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the New Taiwan Dollars are presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the New Taiwan Dollars at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Company disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(d) Classification of current and non-current assets and liabilities

An asset is classified as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period;

(iv) The asset is cash or a cash equivalent, but excluding the asset restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

A liability is classified as current under one of the following criteria, and all other liabilities are classified as non-current.

An entity shall classify a liability as current when:

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period;

(iv) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by issuing equity instruments do not affect its classification.

(e) Cash and cash equivalents

Cash comprises cash on hand and demand and check deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(f) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

1) Classification of financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income – equity investment; or fair value through profit or loss. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

a) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

b) Fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

· it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Some trade receivables are held within a business model whose objective is achieved by both collecting contractual cash flows and selling by the Company, therefore, those receivables are measured at FVOCI. However, they are included in the “trade receivables” line item.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

Dividend income is recognized in profit or loss on the date on which the Company's right to receive payment is established.

c) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above are measured at FVTPL, including derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

2) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amotized cost, note and trade receivables, other receivables and guarantee deposits), trade receivables measured at FVOCI.

The Company measures loss allowance at an amount equal to lifetime ECL. The Company considers reasonable and supportable information that is available without undue cost or effort and that is relevant for the particular financial instrument being assessed; both qualitative and quantitative information and also basing on the Company's historical experiences and informed credit assessment as well as forward-looking information. For the financial assets, when the credit risk on the financial instrument has not increased significantly since initial recognition, a loss allowance is recognized at an amount equal to expected credit loss resulting from possible default events of a financial instrument within 12 months after the reporting date. If, on the other hand, there has been a significant increase in credit risk since initial recognition, a loss allowance is recognized at an amount equal to expected credit loss resulting from all possible default events over the expected life of a financial instrument.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

3) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Company are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iii) Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency and interest rate exposures. Derivatives are recognized initially at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognized in profit or loss.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the standard cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realizable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses at the end of the period.

In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. The standard cost method is adopted for inventory costing and the difference between standard cost and actual cost is allocated proportionately to inventory except for an unfavorable variance from normal capacity.

(h) Non-current assets for sale

Non-current assets or disposal groups comprising assets and liabilities that are highly probable to be recovered primarily through sale rather than through continuing use, are reclassified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Company’s accounting policies. Thereafter, generally, the assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to assets not within the scope of IAS 36 – Impairment of Assets. Such assets will continue to be measured in accordance with the Company’s accounting policies. Impairment losses on assets initially classified as held for sale and any subsequent gains or losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of the cumulative impairment loss that has been recognized.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(i) Investment in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over their financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The parent company only financial statements include the Company’s share of the profit or loss and other comprehensive income of those associates, after adjustments to align their accounting policies with those of the Company, from the date on which significant influence commences until the date on which significant influence ceases. The Company recognizes any changes of its proportionate share in the investee within capital surplus, when an associate’s equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual significant influence.

Gains and losses resulting from transactions between the Company and an associate are recognized only to the extent of unrelated Company’s interests in the associate.

When the Company’s share of losses of an associate equals or exceeds its interests in an associate, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

The Company discontinues the use of the equity method and measures the retained interest at fair value from the date when its investment ceases to be an associate. The difference between the fair value of retained interest and proceeds from disposing, and the carrying amount of the investment at the date the equity method was discontinued is recognized in profit or loss. The Company accounts for all the amounts previously recognized in other comprehensive income in relation to that investment on the same basis as would have been required if the associates had directly disposed of the related assets or liabilities. If a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss when the equity method is discontinued. If the Company’s ownership interest in an associate is reduced while it continues to apply the equity method, the Company reclassifies the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest to profit or loss.

If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Company continues to apply the equity method without remeasuring the retained interest.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

When the Company subscribes to additional shares in an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment will differ from the amount of the Company's proportionate interest in the net assets of the associate. The Company records such a difference as an adjustment to investments, with the corresponding amount charged or credited to capital surplus. The aforesaid adjustment should first be adjusted under capital surplus. If the capital surplus resulting from changes in ownership interest is not sufficient, the remaining difference is debited to retained earnings. If the Company's ownership interest is reduced due to the additional subscription to the shares of the associate by other investors, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate will be reclassified to profit or loss on the same basis as would be required if the associate had directly disposed of the related assets or liabilities.

(j) Investment in subsidiaries

When preparing the parent company only financial statements, investment in subsidiaries which are controlled by the Company is accounted for using the equity method. Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of profit or loss and other comprehensive income of the subsidiary as well as the distribution received. The Company also recognized its share in the changes in the equity of subsidiaries. In subsidiaries which are controlled by the Company is accounted for preparing the consolidated statement by each period.

Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity.

(k) Investment property

Investment property is a property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently, at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value, which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(l) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributed to the acquisition of the asset.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately, unless the useful life and the depreciation method of the significant part of an item of property, plant and equipment are the same as the useful life and depreciation method of another significant part of that same item.

The gain or loss arising from the derecognition of an item of property, plant and equipment shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, and it shall be recognized as other gains and losses.

(ii) Subsequent cost

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

The depreciable amount of an asset is determined after deducting its residual amount and it shall be allocated on a systematic basis over its useful life. The items of property, plant and equipment with the same useful life may be grouped in determining the depreciation charge. The remainder of the items may be depreciated separately. The depreciation charge for each period shall be recognized in profit or loss.

Land has an unlimited useful life and therefore is not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

1) Buildings and improvements: 20 to 50 years

2) Machinery and equipment: 3 to 10 years

3) Molding equipment: 1 year

4) Research and development equipment: 3 to 5 years

5) Furniture, fixtures and other equipment: 3 to10 years

The Company reviews depreciation methods, useful lives, and residual values are reviewed at each reporting date. If expectations differ from the previous estimates, the change is accounted for as a change in an accounting estimate.

(iv) Reclassify to investment property

The property is reclassified to investment property as its carrying amount when the use of the property changes from owner-occupied to investment property.

(m) Lease

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(i) As a leasee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

1) fixed payments, including in-substance fixed payments;

2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

3) amounts expected to be payable under a residual value guarantee; and

4) payments or penalties for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

1) there is a change in future lease payments arising from the change in an index or rate; or

2) there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee; or

3) there is a change in the Company's evaluation of purchase options; or

4) there is a change of its assessment on whether it will exercise a purchase, extension or termination option; or

5) there is any lease modification to the assets, scope and other terms of the lease.

(Continued)

6 Financial Standing

WISTRON CORPORATION
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When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Company presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the balance sheets.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases with less than 12 month and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a leasor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(n) Intangible assets

(i) Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Other intangible assets, including customer relationships, patents and software, that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as occurred.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(iii) Amortization

Amortization is calculated over the cost of the asset, less its residual value, and is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for current and comparative periods are as follows:

1) Patents: 10 years

2) Software: 1 to 10 years

3) Customer relationships: 5 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjust if appropriate.

(o) Impairment of non-derivative financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(p) Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

(q) Treasury shares

Repurchased shares are recognized under treasury shares (a contra-equity account) based on its repurchase price (including all directly attributable costs), and net of tax. Gains on disposal of treasury shares should be recognized under Capital Reserve–Treasury Shares Transactions; losses on disposal of treasury shares should be offset against existing capital reserves arising from similar types of treasury shares. If there are insufficient capital reserves to be offset against, then such losses should be accounted for under retained earnings. The carrying amount of treasury shares should be calculated using the weighted average different types of repurchase.

During the cancellation of treasury shares, Capital Reserve– Share Premiums and Share Capital should be debited proportionately. Gains on cancellation of treasury shares should be recognized under existing capital reserves arising from similar types of treasury shares; losses on cancellation of treasury shares should be offset against existing capital reserves arising from similar types of treasury shares. If there are insufficient capital reserves to be offset against, then such losses should be accounted for under retained earnings.

(r) Revenue from contracts with customers

Revenue is measured basing on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Company's main types of revenue are explained below:

(i) Sale of goods

The Company manufactures and sells electronic products to international brand customers. The Company recognizes revenue when control of the products has been transferred, when the products are delivered to the customer, the related risk and rewards of ownership are transferred, and there is no continuing management involvement with the goods. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company often offers volume discounts to its customers based on aggregate sales. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate the discounts using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

The Company provides customers with the extended warranty. This kind of contract contains two performance obligations and, therefore, the transaction price is allocated to each performance obligation on a relative stand-alone selling price basis. Management estimates the stand-alone selling prices at contract inception based on the observable prices at which the Company would sell the product and the extended warranty separately in similar circumstances and to similar customers. The Company recognizes revenue for the service-type warranty on a straight-line basis over the extended warranty period.

A receivable is recognized when the goods are delivered as this is the point in time that the Company has a right to an amount of consideration that is unconditional.

(ii) Service revenue

The Company provide maintenance service. The Company will recognize the revenue when the performance obligation completed.

(iii) Financing components

The Company does not expect to have almost contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(s) Government grants

The Company recognizes an unconditional government grant in profit or loss as other income when the grant becomes receivable. Other government grants related to assets are initially recognized as deferred income at fair value if there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognized in profit or loss as other income on a systematic basis over the useful life of the asset. Grants that compensate the Company for expenses or losses incurred are recognized in profit or loss on a systematic basis in the periods in which the expenses or losses are recognized.

The Company evaluates the fair value of its borrowings from financial institutions with government assistance in the form of a guarantee based on the market interest rates, and recognizes the difference between the fair value and the interests paid as non-operating income.

(t) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Defined benefit plans

The Company’s net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(u) Share-based payment

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the liability are recognized in profit or loss.

The grant date of share-based payment is the date that the subscription price and shares are authorized by the Board of Directors.

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WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(v) Income Taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes shall be recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date, and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(w) Earnings per share

The Company discloses the Company basic and diluted earnings per share attributable to ordinary equity holders of the Company. The calculation of basic earnings per share is based on the profit attributable to the ordinary shareholder of the Company divided by weighted average number of ordinary shares outstanding. The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of the Company, divided by weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, such as accrued employee' remuneration and ungranted restricted shares to employees.

(x) Operating segments

The Company discloses the operating segment information in the consolidated financial statements. Therefore, the Company does not disclose the operating segment information in the parent company only financial statement.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

In preparing these parent company only financial statements, the management has made judgments, estimates, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the next period.

There are no critical judgments in applying accounting policies that have significant effect on the amounts recognized in the parent company only financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year and have been updated to reflect the impact of economic uncertainties are as follows:

- Inventory valuation

  As inventories are stated at the lower of cost or net realizable value, the Company estimates the net realizable value of inventories for obsolescence and unmarketable items at the end of the reporting period and then writes down the cost of inventories to net realizable value. The valuation of the inventory is mainly determined basing on the demand of products in the future. Due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories. Refer to Note 6(g) for further description of the valuation of inventories.

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Notes to the Parent Company Only Financial Statements

(6) Explanation of significant accounts

(a) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand	$ 7,531	7,015
Demand and check deposits	2,378,464	9,323,948
Time deposits	30,308	921,240
	$ 2,416,303	10,252,203

(b) Financial assets and liabilities at fair value through profit or loss

(i) Financial assets at fair value through profit or loss-current:

	December 31, 2023	December 31, 2022
Mandatorily measured at fair value through profit or loss:		
Derivative instruments not used for hedging		
Foreign currency forward contracts	$ 2,570	147,596
Foreign currency swap contracts	-	4,688
	$ 2,570	152,284

(ii) Financial liabilities at fair value through profit or loss-current:

	December 31, 2023	December 31, 2022
Held-for trading financial liabilities:		
Derivative instruments not used for hedging		
Foreign currency forward contracts	$ 187,097	161

The Company uses derivative financial instruments to hedge the certain foreign exchange risk the Company was exposed to, arising from its operating, financing and investing activities. As of December 31, 2023 and 2022, derivative financial instruments not qualified for hedge accounting were as follows:

1) Foreign currency forward contracts:

December 31, 2023		
Amount (in thousands)	Currency	Expiration
USD 322,000	TWD Put / USD Call	2024/1/4~2024/2/1

December 31, 2022		
Amount (in thousands)	Currency	Expiration
USD 704,000	TWD Put / USD Call	2023/1/3~2023/3/6

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WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

2) Foreign currency swap contracts:

December 31, 2022		
Amount (in thousands)	Currency	Expiration
USD 75,000	TWD Put / USD Call	2023/1/6~2023/1/11

3) Non-current financial liabilities at fair value through profit or loss:

	December 31, 2023	December 31, 2022
Mandatorily measured at fair value through profit or loss:		
Non-derivative financial assets		
Convertible bonds	$ 47,794	-
Simple Agreement for Future Equity (SAFE)	-	73,392
	$ 47,794	73,392

Please refer to Note 6(v) for the measurement of fair value recognized in profit or loss.

(c) Financial assets measured at amortized cost

(i) Financial assets measured at amortized cost-current:

	December 31, 2023	December 31, 2022
Restricted bank deposits	$ -	298,652

According to " Regulations Governing the Management, Utilization, and Taxation of Repatriated Offshore Funds", the Company had submitted an investment proposal and was approved by National Taxation Bureau, Ministry of Finance. Based on the regulation, the deposits are restricted only to the approved investment plan, and shall not be used for other purposes.

(ii) Non-current financial asset at amortized cost:

	December 31, 2023	December 31, 2022
Bonds	$ 10,000	-

The Company has assessed that these financial assets are held-to-maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

In October 2024, the Company acquired a 10-year unsecured subordinated corporate bond issued by Shin Kong Life Insurance, with an amount and an effective rate of $10,000 and 4%, respectively.

The aforementioned financial asset was not pledged as collateral.

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WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(d) Non-current financial asset at fair value through other comprehensive income

	December 31, 2023	December 31, 2022
Equity investments at fair value through other comprehensive income:		
Listed companies	$ 3,388,086	2,410,211
Unlisted companies	399,176	299,904
Unlisted fund	1,237,125	1,220,951
Total	$ 5,024,387	3,931,066

(i) The Company designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represented those investments that the Company intended to hold for long-term for strategic purposes.

The Company sold portion of its shares in Kibou Fund L.P., Jafco AT Fund VI L.P., Alpha Networks Inc., Gamania Digital Entertainment Co., Ltd. and AOpen Inc. with a fair value of $947,802 during 2023, as well as disposed portion of its shares in Marvell Technology, Inc., Jafco AT Fund VI L.P., and AOpen Inc., with a fair value of $225,223 during 2022, resulting in the Company to recognize the net gains of $154,289 and $103,620, respectively, which were accounted for as under other comprehensive income; then later on, were reclassified to retained earnings.

(ii) For the disclosure of market risk, please refer to Note 6(x).

(iii) The aforementioned financial assets were not pledged.

(e) Trade receivables

	December 31, 2023	December 31, 2022
Trade receivables-measured at amortized cost	$ 53,920,005	36,630,314
Trade receivables-measured at FVOCI	30,269,163	15,141,423
Trade receivables-related parties-measured at amortized cost	154,972,880	127,587,415
Less: loss allowance	(90,951)	(184,415)
	$ 239,071,097	179,174,737

The Company had managed a portion of its trade receivables that was held within a business model whose objective was achieved by both collecting contractual cash flows and selling financial assets; therefore, such trade receivables were measured at fair value through other comprehensive income.

The Company applied the simplified approach to provide for expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, trade receivables and trade receivables-related parties had been grouped basing on shared credit risk characteristics and the days past due, as well as incorporated forward looking information. The loss allowance was determined as follows:

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Notes to the Parent Company Only Financial Statements

	December 31, 2023		
	Gross carrying amount of trade receivables	Weighted - average expected credit loss rate	Expected credit loss
Current	$ 199,084,733	0.00%	-
1 to 60 days past due	36,569,809	0.00%	-
61 to 180 days past due	3,452,135	0.00%	-
181 to 300 days past due	1,130	0.00%~3.54%	2
More than 301 days past due	54,241	4.17%~100.00%	48,497
Total	$ 239,162,048		48,499

	December 31, 2022		
	Gross carrying amount of trade receivables	Weighted - average expected credit loss rate	Expected credit loss
Current	$ 152,142,995	0.00%~0.10%	23,709
1 to 60 days past due	24,076,385	0.00%~5.00%	21,602
61 to 180 days past due	3,000,788	0.00%~5.00%	489
181 to 300 days past due	606	0.00%~17.19%	45
More than 301 days past due	138,378	9.17%~100.00%	138,378
Total	$ 179,359,152		184,223

The movements in the loss allowance for trade receivables were as follows:

	2023	2022
Balance on January 1	$ 184,415	602,369
Impairment losses recognized (reversed)	1,606	(79,553)
Amounts written off	(95,070)	(338,401)
Balance on December 31	$ 90,951	184,415

The Company entered into separate factoring agreements with different financial institutions to sell its trade receivables. Under the agreements, the Company does not have the responsibility to assume the default risk of the transferred trade receivables but is liable for the losses incurred on any business dispute. The Company derecognized the above trade receivables because it had transferred substantially all of the risks and rewards of their ownership, and it did not have any continuing involvement in them.

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Notes to the Parent Company Only Financial Statements

As of December 31, 2023 and 2022, the relevant information on trade receivables factored but unsettled was as follows:

Unit: USD in thousands

December 31, 2023

Purchaser	Amount derecognized	Factoring credit limit	Amount advanced: Paid	Amount advanced: Unpaid	Interest rate collar	Collateral
Financial institutions	$ 1,533,696	2,745,600	1,533,696	1,211,904 (Note)	1.81%~6.36%	None

December 31, 2022

Purchaser	Amount derecognized	Factoring credit limit	Amount advanced: Paid	Amount advanced: Unpaid	Interest rate collar	Collateral
Financial institutions	$ 2,513,366	3,285,600	2,513,366	772,234 (Note)	4.91%~6.1%	None

(Note): The unpaid amount advanced was shared by the Company and its subsidiary.

As of December 31, 2023 and 2022, the trade receivables were not pledged.

For further credit risk information, please refer to Note 6(x).

(f) Other receivables

	December 31, 2023	December 31, 2022
Other current assets-other receivables	$ 6,940,165	5,561,119
Other receivables-related parties	1,566,911	2,473,843
Less: loss allowance	(61,118)	(64,313)
	$ 8,445,958	7,970,649

As of December 31, 2023 and 2022, there were no significant changes in credit quality and risk of the other receivables, and the overdue amounts were impaired.

The movements in the loss allowance for other receivables were as follows:

	2023	2022
Balance on January 1	$ 64,313	459,776
Impairment loss reversed	(3,195)	-
Amounts written off	-	(395,463)
Balance on December 31	$ 61,118	64,313

(Continued)

6 Financial Standing

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(g) Inventories

	December 31, 2023	December 31, 2022
Raw materials	$ 10,849,943	13,177,572
Work in progress	933,582	592,825
Finished goods	9,709,663	14,058,162
Inventory in transit	7,635,274	9,877,162
	$ 29,128,462	37,705,721

For the years ended December 31, 2023 and 2022, the details of cost of sales were as follows:

	2023	2022
Cost of goods sold	$ 599,172,197	652,359,650
Loss on valuation of inventories	2,414,865	2,252,840
Loss on supplier inventory reserve	684,170	577,663
Income from sale of scraps	(18,490)	(25,476)
	$ 602,252,742	655,164,677

As of December 31, 2023 and 2022, the inventories were not pledged.

(h) Equity-accounted investees

As of December 31, 2023 and 2022, the components of investments accounted for using the equity method were as follows:

	December 31, 2023	December 31, 2022
Subsidiaries	$ 105,150,676	97,722,647
Associates	7,889,258	5,762,804
	$ 113,039,934	103,485,451

(i) Subsidiaries

1) Please refer to the consolidated financial statements for the year ended December 31, 2023.

2) Disposal of part of equity ownership of subsidiaries without losing control

In the first quarter of 2022, the Company disposed of 4.57% of the shares of WYHQ, which its fair value was 7,282,067, resulting in its shareholding in WYHQ to decrease from 42.26% to 37.69%. Since it had no effect on the control of the subsidiary, the equity change was regarded as an equity transaction.

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WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

The following summarizes the effect of changes in equity of the parent due to changes in the ownership interest of subsidiaries:

		2022
Consideration transferred from the non-controlling interest	$	7,282,067
Book value of the non-controlling interest		(1,355,318)
Other equity		(16,560)
Capital surplus–difference between consideration and carrying amount of subsidiaries acquired or disposed	$	**5,910,189**

(ii) Associates

1) As of December 31, 2023 and 2022, the fair value of investments in associates of the Company for which there were public price quotations were as follows:

	December 31, 2023		December 31, 2022	
	Book value	**Fair value**	**Book value**	**Fair value**
WNC	$ 6,347,053	14,989,891	4,598,489	7,030,495
Formosa Prosonic Industries Berhad (FPI)	799,101	1,329,713	769,488	1,558,810
T-Conn Precision Corporation (TPE)	36,148	172,032	104,576	274,652
	$ 7,182,302	**16,491,636**	**5,472,553**	**8,863,957**

2) For the years ended December 31, 2023 and 2022, the share of profits and other comprehensive income of associates recognized by the Company were as follows:

		December 31, 2023	December 31, 2022
Carrying amount of individually insignificant associates' equity	$	**7,889,258**	**5,762,804**
		2023	**2022**
Attributable to the Company:			
Net profit	$	886,447	949,850
Other comprehensive income		307,978	132,405
Comprehensive income	$	**1,194,425**	**1,082,255**

(iii) In October 2023, the Company' s Board of Directors resolved to dispose the entire shareholdings of Wistron InfoComm Manufacturing (India) Private Limited ("WMMI"), a subsidiary of the Group, to Tata Electronics Private Ltd., (TEPL). The Company reclassified the carrying value of equity-accounted investees amounted $1,657,376 to non-current assets classified as held for sale on December 31, 2023.

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6 Financial Standing

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(iv) Collateral

As of December 31, 2023 and 2022, the investments in aforementioned equity-accounted investees were not pledged.

(v) Judgement of whether the Group has substantive control over its investees

Although the Company was the first major shareholder of some of its associates, the Company failed to obtain more than half of the total number of their directors. It also failed to reach any contractual agreement with the other investors to align and exercise other voting rights. Therefore, the Company only has significant influence, but not control, over its associates.

(i) Property, plant and equipment

The cost and accumulated depreciation of the property, plant and equipment of the Company for the years ended December 31, 2023 and 2022, were as follows,

		Land	Building and improvements	Machinery and equipment	Molding equipment	Research and development equipment	Office equipment	Other equipment	Total
Cost or deemed cost:									
Balance at January 1, 2023	$	2,810,384	2,372,867	2,397,495	3,833,954	2,478,337	857,300	2,585,929	17,336,266
Additions		14,428	74,373	355,540	72,970	201,076	54,739	2,014,602	2,787,728
Reclassification (Note)		-	-	29,038	30,961	2,584	-	3,244	65,827
Reclassified from expenses		-	-	23	-	-	-	5,460	5,483
Disposals		-	(86,883)	(495,869)	(2,199,748)	(36,486)	(55,023)	(98,704)	(2,972,713)
Balance at December 31, 2023	$	**2,824,812**	**2,360,357**	**2,286,227**	**1,738,137**	**2,645,511**	**857,016**	**4,510,531**	**17,222,591**
Balance at January 1, 2022	$	2,810,384	2,361,942	2,227,531	5,812,589	2,259,483	865,775	706,759	17,044,463
Additions		-	31,491	388,629	3,691	233,107	68,751	1,833,811	2,559,480
Reclassification (Note)		-	-	131,777	4,054	21,843	15,321	58,721	231,716
Reclassified from expenses (as expenses)		-	(20,566)	(5)	-	-	879	(247)	(19,939)
Disposals		-	-	(350,437)	(1,986,380)	(36,096)	(93,426)	(13,115)	(2,479,454)
Balance at December 31, 2022	$	**2,810,384**	**2,372,867**	**2,397,495**	**3,833,954**	**2,478,337**	**857,300**	**2,585,929**	**17,336,266**
Accumulated depreciation:									
Balance at January 1, 2023	$	-	1,031,011	928,237	3,829,831	1,980,569	713,443	604,867	9,087,958
Depreciation		-	95,359	338,445	40,462	214,955	61,525	276,779	1,027,525
Disposals		-	(86,883)	(223,965)	(2,199,748)	(35,492)	(53,743)	(95,263)	(2,695,094)
Balance at December 31, 2023	$	**-**	**1,039,487**	**1,042,717**	**1,670,545**	**2,160,032**	**721,225**	**786,383**	**7,420,389**
Balance at January 1, 2022	$	-	928,910	806,513	5,790,255	1,836,556	751,772	435,003	10,549,009
Depreciation		-	102,101	324,284	25,956	180,109	55,097	182,979	870,526
Disposals		-	-	(202,560)	(1,986,380)	(36,096)	(93,426)	(13,115)	(2,331,577)
Balance at December 31, 2022	$	**-**	**1,031,011**	**928,237**	**3,829,831**	**1,980,569**	**713,443**	**604,867**	**9,087,958**
Carrying value:									
Balance at December 31, 2023	$	**2,824,812**	**1,320,870**	**1,243,510**	**67,592**	**485,479**	**135,791**	**3,724,148**	**9,802,202**
Balance at December 31, 2022	$	**2,810,384**	**1,341,856**	**1,469,258**	**4,123**	**497,768**	**143,857**	**1,981,062**	**8,248,308**
Balance at January 1, 2022	$	**2,810,384**	**1,433,032**	**1,421,018**	**22,334**	**422,927**	**114,003**	**271,756**	**6,495,454**

(Note): Reclassifications are mainly transferring from other non-current assets-advance payments for equipment.

As of December 31, 2023 and 2022, the property, plant and equipment were not pledged.

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WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(j) Right-of-use assets

The Company leased many assets including land, buildings and improvements, office equipment, transportation and other equipment. Information about leases for which the Company as a lessee was as below:

	Land	Building	Office equipment	Transportation equipment	Other equipment	Total
Cost:						
Balance at January 1, 2023	$ 1,248,695	1,808,772	63,730	88,645	16,309	3,226,151
Addition	2,102	413,938	26,265	21,993	9,644	473,942
Decrease	-	(544,974)	(27,487)	(22,898)	(5,273)	(600,632)
Balance at December 31, 2023	$ 1,250,797	1,677,736	62,508	87,740	20,680	3,099,461
Balance at January 1, 2022	$ 1,247,260	1,117,148	44,885	76,695	12,136	2,498,124
Addition	1,435	740,609	18,845	14,434	4,173	779,496
Decrease	-	(48,985)	-	(2,484)	-	(51,469)
December 31, 2022	$ 1,248,695	1,808,772	63,730	88,645	16,309	3,226,151
Accumulated depreciation:						
Balance at January 1, 2023	$ 110,136	779,901	31,753	58,706	7,814	988,310
Depreciation	34,958	436,341	16,758	22,635	3,723	514,415
Decrease	-	(421,628)	(27,487)	(22,510)	(5,273)	(476,898)
Balance at December 31, 2023	$ 145,094	794,614	21,024	58,831	6,264	1,025,827
Balance at January 1, 2022	$ 75,264	507,655	18,338	37,939	4,507	643,703
Depreciation	34,872	313,441	13,415	22,906	3,307	387,941
Decrease	-	(41,195)	-	(2,139)	-	(43,334)
December 31, 2022	$ 110,136	779,901	31,753	58,706	7,814	988,310
Carrying amount:						
Balance at December 31, 2023	$ 1,105,703	883,122	41,484	28,909	14,416	2,073,634
Balance at December 31, 2022	$ 1,138,559	1,028,871	31,977	29,939	8,495	2,237,841
Balance at January 1, 2022	$ 1,171,996	609,493	26,547	38,756	7,629	1,854,421

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WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(k) Intangible assets

The cost and amortization of the intangible assets for the years ended December 31, 2023 and 2022 were as follows:

	Patent	Software	Goodwill	Total
Costs:				
Balance at January 1, 2023	$ 144,239	881,484	561,485	1,587,208
Additions	-	257,800	-	257,800
Balance at December 31, 2023	$ 144,239	1,139,284	561,485	1,845,008
Balance at January 1, 2022	$ 143,439	524,424	561,485	1,229,348
Additions	800	357,060	-	357,860
Balance at December 31, 2022	$ 144,239	881,484	561,485	1,587,208
Accumulated amortization:				
Balance at January 1, 2023	$ 111,491	569,844	-	681,335
Amortization	11,394	288,823	-	300,217
Balance at December 31, 2023	$ 122,885	858,667	-	981,552
Balance at January 1, 2022	$ 93,820	252,541	-	346,361
Amortization	17,671	317,303	-	334,974
Balance at December 31, 2022	$ 111,491	569,844	-	681,335
Carrying amount:				
Balance at December 31, 2023	$ 21,354	280,617	561,485	863,456
Balance at December 31, 2022	$ 32,748	311,640	561,485	905,873
Balance at January 1, 2022	$ 49,619	271,883	561,485	882,987

(i) Impairment testing for goodwill

For impairment testing purposes, goodwill had been allocated to the cash generating units (CGU) brought forth from the developing and manufacturing service of the Company.

The carrying amounts of goodwill were as follows:

	December 31, 2023	December 31, 2022
Developing and manufacturing services cash-generating units	$ 561,485	561,485

The goodwill generated from the Company's acquisition of Lite-On Technology Corp.'s Digital Display Business Unit in 2008 was allocated to the CGU brought forth from the developing and manufacturing service of the Company, wherein the skills and technical talent of which is expected to bring benefits to the Company.

(ii) International Accounting Standard No. 36 requires that goodwill acquired in a business combination be tested for impairment at least annually. The impairment test for goodwill consists of allocating goodwill to the cash generating units that are expected to benefit from the combined effects of the business combination. The recoverable amounts of both the aforementioned cash generating units are determined based on their value in use. The value in use is determined by discounting the future cash flows expected to be generated from the continuing use of the unit.

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WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

The key assumptions used in the estimation of the value in use are set out below.

	December 31, 2023	December 31, 2022
Pre-tax discount rate	5.21 %	3.73 %

The discount rate was a pre-tax measure based on the rate of the 10-year government bonds issued by the Taiwan government in the same currency as the cash flows, adjusted for a risk premium to reflect both the increase in risk on investing generally in equities and the systemic risk of the specific CGU.

Cash flows in the following five years were included in the discounted cash flow model, which was based on the financial forecast for the following year approved by the management.

Budgeted EBITDA over the financial forecast period was based on expectations of future outcome, taking into account the past experience, adjusted for the anticipated revenue growth. Revenue growth is projected by taking into account the historical growth levels experienced over the past few years.

(iii) Collateral

As of December 31, 2023 and 2022, the intangible assets were not pledged.

(l) Other current assets and non-current assets

	December 31, 2023	December 31, 2022
(i) Other current assets:		
Other receivables, net	$ 6,879,047	5,496,806
Tax refundable	141,745	237,224
Prepaid royalties	180,879	203,489
Other prepayments	405,499	387,995
Others	2,407	946
	$ 7,609,577	**6,326,460**

	December 31, 2023	December 31, 2022
(ii) Other non-current assets:		
Advance payments for equipment	$ 163,729	82,915
Investment property	160,089	163,834
Refundable deposits	1,473,772	661,058
Others	283	1,903
	$ 1,797,873	**909,710**

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WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

- Investment property comprised land and office buildings that were leased to the subsidiary under operating leases, including properties that are owned by the Company. The leases of investment properties contained an initial non-cancellable lease term of 9 years. The leases provided the lessees with options to extend at the end of the term.

1) The cost and accumulated depreciation of investment property for the years ended December 31, 2023 and 2022, were as follows:

	Owned property		
	Land	Buildings	Total
Cost:			
Balance at December 31, 2023 (same as balance at January 1, 2023)	**$ 51,477**	**185,708**	**237,185**
Balance at December 31, 2022 (same as balance at January 1, 2022)	**$ 51,477**	**185,708**	**237,185**
Accumulated depreciation:			
Balance at January 1, 2023	$ -	73,351	73,351
Depreciation	-	3,745	3,745
Balance at December 31, 2023	**$ -**	**77,096**	**77,096**
Balance at January 1, 2022	$ -	69,606	69,606
Depreciation	-	3,745	3,745
Balance at December 31, 2022	**$ -**	**73,351**	**73,351**
Carrying amount:			
Balance at December 31, 2023	**$ 51,477**	**108,612**	**160,089**
Balance at December 31, 2022	**$ 51,477**	**112,357**	**163,834**
Balance at January 1, 2022	**$ 51,477**	**116,102**	**167,579**

2) Rental income and direct operating expenses arising from investment property that generate rental income were as follows:

	2023	2022
Rent income	**$ 6,129**	**6,129**
Direct operating expense arising from investment property that generated rental income	**$ 3,745**	**3,745**

3) The fair value of the investment property was measured as the cash flows the Company expected to receive, and which was discounted with a particular interest rate to reflect the market price. The yields applied to the net annual rentals used to determine the fair value of properties were 0.3% for the years ended December 31, 2023 and 2022.

4) As of December 31, 2023 and 2022, the investment property was not pledged.

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WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(m) Bank loans

(i) Short-term loans

	December 31, 2023	December 31, 2022
Unsecured bank loans	$ 66,268,203	74,037,266
Unused credit line	$ 61,878,290	58,904,148
Interest rate collar	1.69%~6.27%	0.5%~5.36%

(ii) Long-term loans

	December 31, 2023	December 31, 2022
Unsecured bank loans	$ 18,319,673	14,930,093
Less: current portion	(714,336)	(5,527,440)
	$ 17,605,337	9,402,653
Unused credit line	$ 27,858,777	18,676,626
Interest rate collar	1.22%~6.86%	1.10%~6.01%

(iii) Breach of covenant

1) On December 31, 2020, the Company entered into a 3-year loan agreement with Mega Bank (the lead bank) and 8 other participating banks, and which was extended on December 12, 2023, with significant terms as follows:

Total credit line: The original credit line was USD360,000,000, and then extended to USD327,500,000.

Maturity date: The date 3 years after the first drawdown date, which should be within 6 months from the date the agreement was signed.

Availability period: Since the facility is revolving, each availability period should be more than 2 months and less than 6 months.

2) On March 31, 2023, the Company entered into a 3-year loan agreement with Taipei Fubon Commerical Bank (the lead bank) and 14 other participating banks, with significant terms as follows:

Total credit facility: USD500,000,000

Maturity date: The date 3 years after the first drawdown date, which should be within 6 months from the date the agreement was signed.

Availability period: Since the facility is revolving, each availability period should be more than 2 months and less than 6 months.

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WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

According to the loan agreement, during the loan repayment periods, the Company must comply with certain financial covenants, such as current ratio, debt ratio, interest coverage ratio and tangible net assets, based on its audited annual consolidated financial statements and reviewed semi-annual consolidated financial statements. If a breach of contract occurs, the Company's credit facility will immediately be restricted and will no longer be available for use without the approval of the majority of banks involved.

The Company was in compliance with the above financial covenants during the financial reporting periods.

(iv) Government low-interest loan

In 2022, to expand its operation through constructing factories and for business purpose, the Company obtains the government low interest loans from Mega Bank, Bank of Taiwan, Chang Hwa Commercial Bank, Hua Nan Commercial Bank, and Taipei Fubon Commercial Bank, in accordance with the "Loans for Returning Overseas Taiwanese Businesses", with significant terms as follows:

Total credit line : As of December 31, 2023 and 2022, the amounts were $8,642,622 and $8,643,200, respectively, without revolving.

Maturity dates : From January, 2029 to January, 2032.

As of December 31, 2023 and 2022, the used credit line of $1,859,429 and $1,331,730, respectively, was based on the market interest rates. The differences between the market interest rates and the actual amounts paid were recognized as the deferred income under current and non-current liabilities in accordance with the government grants.

(v) The interest expenses for short-term and long-term loans for the years ended December 31, 2023 and 2022, were disclosed in Note 6(v).

(n) Lease liabilities

	December 31, 2023	December 31, 2022
Current	$ 363,391	377,509
Non-current	$ 1,475,594	1,589,163

For the disclosure of maturity analysis, please refer to Note 6(x).

The amounts recognized in profit or loss were as follows:

	2023	2022
Interests on lease liabilities	$ 38,316	30,209
Variable lease payments not included in the measurement of lease liabilities	$ 60,255	58,311
Expenses relating to short-term leases	$ 6,360	11,415
Expenses relating to leases of low-value assets	$ 807	92

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

The amounts recognized in the statement of cash flows for the Company were as follows:

	2023	2022
Total cash outflow for leases	$ 583,432	470,655

(i) Leases of land, buildings and equipment

As of December 31, 2023, the Company leased land, buildings for its office spaces, factories, warehouses and staff dormitories. The leases of land ran for 3 to 40 years, and of buildings typically for 1 to 10 years. Furthermore, the Company leased office equipment and transportation equipment, with lease terms typically of 1 to 5 years, and of other equipment for a period of 3 to 5 years. Some leases contained extension options. When the lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period will not be included within lease liabilities.

As of December 31, 2023, there was not the occurrence of either a significant event or a significant change in circumstances and the reassessment of the lease required.

(ii) Other leases

In some cases, the Company also leased buildings, office equipment and transportation equipment with contract terms less than one year. These leases are short-term or leases of low-value items. The Company has elected not to recognize right-of-use assets and lease liabilities for these leases.

(o) Operating leases

The Company leased the investment property, a number of offices, factories and facilities under operating leases. The Company had classified these leases as operating leases, since which was not transferred substantially all of the risks and rewards incidental to the ownership of the assets. For the years ended December 31, 2023 and 2022, rental income recognized in profit or loss, were $64,115 and $61,042, respectively.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date were as follows:

	December 31, 2023	December 31, 2022
Less than one year	$ 8,399	8,168
Between one to five years	32,491	32,097
More than five years	10,729	18,518
Total undiscounted lease payments	$ 51,619	58,783

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(p) Employee benefits

(i) Defined benefit plans

The movements in the present value of the defined benefit obligations and net defined benefit liabilities were as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	$ 1,918,437	1,959,524
Fair value of plan assets	(1,456,270)	(1,393,767)
Net defined benefit liabilities	$ 462,167	565,757

The Company made defined benefit plan contributions to the pension fund accounts with Bank of Taiwan and Taipei Fubon Commercial Bank that provided pensions for employees upon retirement. Plans (covered by the Labor Standards Law) entitled a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

1) Composition of plan assets

The Company allocated pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The Company’s labor pension reserve account balance in Bank of Taiwan and Taipei Fubon Commercial Bank amounted to $1,456,270 and $1,393,767 as of December 31, 2023 and 2022, respectively. The utilization of the labor pension fund assets of the domestic entities of the Company included the asset allocation and yield of the fund. Please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) The movements in the present value of the defined benefit obligations

The movements in the present value of the defined benefit obligations were as follows:

	2023	2022
Balance at January 1	$ 1,959,524	2,215,200
Current service cost and interests	38,979	21,718
Benefit paid by the Company	(45,794)	(47,072)
Benefit paid by the plan	(86,598)	(64,378)
Net remeasurements of defined benefit liabilities		
-Actuarial losses (gains) arising from changes in financial assumptions	21,209	(227,943)
-Experience adjustments	31,117	61,999
Balance at December 31	$ 1,918,437	1,959,524

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

3) The movements in the fair value of defined benefit plan assets

The movements in the fair value of the defined benefit plan assets for the Company were as follows:

	2023	2022
Fair value of plan assets at January 1	$ 1,393,767	1,206,402
Contribution paid by the Company	122,422	162,803
Benefit paid by the plan	(86,598)	(64,378)
Expected return on plan assets	23,634	7,276
Net remeasurements of defined benefit liabilities		
-Returns on plan assets	3,045	81,664
Fair value of plan assets at December 31	**$ 1,456,270**	**1,393,767**

4) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the years ended December 31, 2023 and 2022, were as follow:

	2023	2022
Current service cost	$ 5,876	8,279
Net interest on the net defined benefit liabilities	9,469	6,163
	$ 15,345	**14,442**

	2023	2022
Cost of sales	$ 5,753	9,786
Selling expenses	1,008	941
Administrative expenses	2,224	1,992
Research and development expenses	6,360	1,723
	$ 15,345	**14,442**

5) The remeasurements of the net defined benefit liabilities recognized in other comprehensive income

As of December 31, 2023 and 2022, the Company's remeasurements of the net defined benefit liabilities recognized in other comprehensive income were as follows:

	2023	2022
Balance at January 1	$ 754,793	1,002,401
Recognized during the year	49,281	(247,608)
Balance at December 31	**$ 804,074**	**754,793**

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

6) Actuarial assumptions

The Company's principal actuarial assumptions at the reporting dates were as follows:

	December 31, 2023	December 31, 2022
Discount rate	1.625 %	1.750 %
Future salary increases	3.500 %	3.500 %

The expected allocation payment to be made by the Company to the defined benefit plans for the one-year period after December 31, 2023 was $50,048.

The weighted average lifetime of the defined benefits plans was 12.82 years.

7) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Effects to the defined benefit obligation	
	Increase 0.25%	**Decrease 0.25%**
December 31, 2023		
Discount rate	$ (42,328)	43,831
Future salary increases	41,837	(40,624)
December 31, 2022		
Discount rate	(45,902)	47,511
Future salary increases	45,695	(44,408)

There was no change in other assumptions when performing the aforementioned sensitivity analysis. In practice, assumptions might be interactive with each other. The method used on sensitivity analysis was consistent with the calculation on the net pension liabilities.

The method and assumptions used on current sensitivity analysis was the same as those of the prior year.

(ii) Defined contribution plans

The Company set aside 6% of the contribution rate of the employee's monthly wages to the Labor Pension personal account of the Bureau of the Labor Insurance in accordance with the provisions of the Labor Pension Act. The Company set aside a fixed amount to the Bureau of the Labor Insurance without the payment of additional legal or constructive obligations.

The Company set aside $547,204 and $535,859 of the pension costs to the Bureau of Labor Insurance for the years ended December 31, 2023 and 2022, respectively.

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WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(q) Income Taxes

(i) Income tax expense

1) The components of income tax expense (benefit) for the years ended December 31, 2023 and 2022, were as follows:

		2023	2022
Current tax expense			
Current period	$	2,423,676	1,655,747
Prior period adjustments		(81,228)	-
		2,342,448	1,655,747
Deferred tax benefit			
Origination and reversal of temporary difference		(1,809,667)	(1,884,117)
Income tax expense (benefit)	$	**532,781**	**(228,370)**

2) The amounts of income tax expense (benefit) recognized in other comprehensive income for the years ended December 31, 2023 and 2022, were as follows:

		2023	2022
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of the net defined benefit plans	$	(9,856)	49,471
Unrealized gains (losses) on equity instruments at fair value through other comprehensive income		(63,017)	5,332
		(72,873)	**54,803**

3) The reconciliation of income tax expense (benefit) and profit before tax for the years ended December 31, 2023 and 2022 were as follows:

		2023	2022
Profit before tax	$	**12,004,397**	**10,934,081**
Estimated income tax calculated based on financial income before tax at the Company's statutory tax rate	$	2,400,879	2,186,816
Tax-exempt income		(1,206,289)	(1,526,404)
Prior-period tax adjustments		(81,228)	-
Change in unrecognized temporary differences		(1,366,740)	(963,073)
Surtax on undistributed earnings		434,015	-
Others		352,144	74,291
	$	**532,781**	**(228,370)**

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets and liabilities

a) Deferred tax assets have not been recognized in respect of the following items.

		December 31, 2023	December 31, 2022
Deductible temporary differences	$	**1,359,363**	**1,960,808**

b) Unrecognized deferred tax liabilities on investment

As of December 31, 2023 and 2022, the temporary differences associated with investments in subsidiaries were not recognized as deferred tax liabilities as follows:

		December 31, 2023	December 31, 2022
The temporary differences associated with investment in subsidiaries (tax amount):			
Unrecognized deferred tax liabilities	$	**8,298,180**	**7,532,885**

2) Recognized deferred tax assets and liabilities

The movements of deferred tax assets and liabilities for the years ended December 31, 2023 and 2022 were as follows:

		Recognized share of loss of subsidiaries and associates accounted for equity method	Unrealized exchange loss	Current refund liability	Allowance for inventory obsolescence and accrued expenses	Unearned revenue	Others	Total
Deferred tax assets:								
Balance at January 1, 2023	$	-	1,085,322	1,565,734	566,842	1,641,656	602,476	5,462,030
Recognized in profit or loss		-	279,541	793,791	193,986	(194,928)	1,057,490	2,129,880
Recognized in other comprehensive income		-	-	-	-	-	75,432	75,432
Balance at December 31, 2023	$	**-**	**1,364,863**	**2,359,525**	**760,828**	**1,446,728**	**1,735,398**	**7,667,342**
Balance at January 1, 2022	$	185,387	-	2,838,803	406,239	694,936	911,606	5,036,971
Recognized in profit or loss		(185,387)	1,085,322	(1,273,069)	160,603	946,720	(257,700)	476,489
Recognized in other comprehensive income		-	-	-	-	-	(51,430)	(51,430)
Balance at December 31, 2022	$	**-**	**1,085,322**	**1,565,734**	**566,842**	**1,641,656**	**602,476**	**5,462,030**

		Recognized share of gain of subsidiaries and associates accounted for equity method	Unrealized exchange gain	Others	Total
Deferred tax liabilities:					
Balance at January 1, 2023	$	1,114,599	-	314,531	1,429,130
Recognized in profit or loss		323,421	-	(3,208)	320,213
Recognized in other comprehensive income		-	-	2,559	2,559
Balance at December 31, 2023	$	**1,438,020**	**-**	**313,882**	**1,751,902**
Balance at January 1, 2022	$	2,052,784	542,539	238,062	2,833,385
Recognized in profit or loss		(938,185)	(542,539)	73,096	(1,407,628)
Recognized in other comprehensive income		-	-	3,373	3,373
Balance at December 31, 2022	$	**1,114,599**	**-**	**314,531**	**1,429,130**

(Continued)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(iii) The Company's tax returns for the years through 2021 were examined and approved by the Taiwan National Tax Administration.

(r) Capital and Other Equities

(i) Capital

As of December 31, 2023 and 2022, the Company's authorized ordinary shares consisted of 4,000,000,000 shares, with a par value of $10 per share, of which 2,899,766,000 and 2,901,602,000 shares, were issued and outstanding.

On June 18, 2020, the Board of Directors resolved to issue 63,000,000 shares with restricted employee rights at par value, amounting to $630,000, and the Board of Directors authorized the Chairman to set the base date of capital increase as February 18, 2021, the relevant registration procedures have been completed. On March 14, May 11, August 4 and December 21, 2023, May 6, August 5 and November 4, 2022, the Board of Directors resolved to cancel 1,436,000 shares, 200,000 shares, 160,000 shares, 40,000 shares, 150,000 shares, 180,000 shares and 1,320,000 shares of $14,360, $2,000, $1,600, $400, $1,500, $1,800 and $13,200, respectively, and the relevant registration procedures have been completed.

(ii) Treasury Shares

1) In order to motivate the employees and improve the operating performance, the Company repurchased 58,769,000 of its own common stock as treasury shares at the amount of $1,607,259 in 2020, in accordance with the requirements under section 28(2) of the Securities and Exchange Act based on a resolution approved during the board meeting held on March 24, 2020. However, 21,255,000 shares and 4,245,000 shares were transferred to employees as of December 31, 2023 and 2022, resulting in the Company to hold 33,269,000 and 54,524,000 treasury shares, respectively.

2) Pursuant to the Securities and Exchange Act, the number of treasury shares purchased cannot exceed 10% of the number of shares issued. The total purchase cost cannot exceed the sum of retained earnings, paid-in capital in excess of par value, and realized capital surplus. The shares purchased for the purpose of transferring to employees shall be transferred within five years from the date of share repurchase. Those that were not transferred within the said limit shall be deemed as not issued by the Company and should be cancelled. Furthermore, treasury shares cannot be pledged for debts, and treasury shares does not carry any shareholder rights until it is transferred.

(Continued)

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Notes to the Parent Company Only Financial Statements

(iii) Capital surplus

Balances of capital surplus at the reporting dates were as follows:

	December 31, 2023	December 31, 2022
A premium issuance of common shares for cash	$ 20,223,928	20,223,928
Surplus arising from equity-accounted investees	14,501,925	12,408,834
A premium issuance of common stock in exchange for the net assets of the DMS business of AI	1,800,000	1,800,000
Restricted shares to employees	535,093	338,636
Employee stock options	62,213	101,960
Transaction of treasury shares	88,427	62,307
Other	178,398	114,775
	$ 37,389,984	35,050,440

In accordance with Companies Act, realized capital surplus can only be reclassified as share capital or be distributed as cash dividends after offsetting against losses. The aforementioned capital surplus includes share premiums and donation gains. In accordance with the Securities Offering and Issuance Guidelines, the amount of capital surplus to be reclassified under share capital shall not exceed 10 percent of the actual share capital amount.

(iv) Retained Earning

The Company's Articles of Incorporation provide that, when allocating the net profit for each fiscal year, the Company shall first offset its losses in previous years and then set aside the legal reserve at 10% of net profit until the accumulated legal reserve equals the Company's capital; and also set aside special capital reserve in accordance with relevant regulations or as requested by the authorities. Any balance left over and the beginning balance of retaining earnings shall be distributed by way of cash or stock dividends; and the ratio for all dividends shall exceed 10% of the remaining earnings. The appropriations of earnings are approved by the Company's Board of Directors in its meeting and presented for approval by the Company's shareholders in its meeting.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders' meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

2) Special reserve

In accordance with the requirements issued by the FSC, a portion of earnings shall be allocated as special reserve during earnings distribution. An equivalent amount of special reserve shall be allocated from the after-tax net profit in the period, plus items other than after-tax net profit in the period, that are included in the undistributed current-period earnings and the undistributed prior-period earnings. A portion of undistributed prior-period earnings shall be reclassified to special earnings reserve to account for cumulative changes to the net reduction of other shareholders' equity pertaining to prior periods. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions.

On November 21, 2012, the other unearned remuneration for the restricted employee shares was not accounted for as contra account of other shareholders' equity in accordance with Decree No.1010051600 issued by the Securities and Futures Bureau.

3) Dividends

As the Company is a technology and capital-intensive enterprise and is in its growth phase, it has adopted a more prudent approach in the appropriation of its remaining earnings as its dividend policy, in order to sustain its long-term capital needs and thereby maintain continuous development and steady growth. Under this approach, the distribution of stock dividend is not lower than ten percent of total distribution of dividends.

4) Earnings Distribution

The amounts of cash dividends of appropriations of earnings for 2022 and 2021 had been approved in the shareholders' meeting held on June 15, 2023 and June 17, 2022, respectively. These earnings were appropriated as follows:

	2022	2021
Dividends distributed to ordinary share holders		
Cash dividends	$ 7,400,801	6,257,863

5) Other equity (net of tax)

	Exchange differences on translation of foreign financial statements			Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income			Deferred compensation arising from issuance of restricted shares
	The Company	Subsidiaries	Associates	The Company	Subsidiaries	Associates	The Company
Balance at January 1, 2023	$ (886,054)	(116,572)	(198,563)	(682,476)	(344,170)	(40,860)	(282,007)
Foreign currency translation differences (net of tax)	(139,351)	(40,047)	(89,724)	-	-	-	-
Disposal of part of the equity of the subsidiary	-	(10,704)	-	-	-	-	-
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income.	-	-	-	595,105	(33,355)	399,247	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income.	-	-	-	(154,289)	(93,003)	-	-
Compensation cost arising from share-based payments transactions				-	-	-	182,275
Balance at December 31, 2023	$ (1,025,405)	(167,323)	(288,287)	(241,660)	(470,528)	358,387	(99,732)

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

	Exchange differences on translation of foreign financial statements			Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income			Deferred compensation arising from issuance of restricted shares
	The Company	Subsidiaries	Associates	The Company	Subsidiaries	Associates	The Company
Balance at January 1, 2022	$ (8,027,659)	(373,306)	(330,461)	372,245	(397,805)	(33,662)	(650,887)
Foreign currency translation differences (net of tax)	7,125,045	256,473	131,898	-	-	-	-
Disposal of part of the equity of the subsidiary	16,560	261	-	-	-	-	-
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income.	-	-	-	(951,101)	59,580	(7,198)	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income.	-	-	-	(103,620)	(5,945)	-	-
Compensation cost arising from share-based payments transactions				-	-	-	368,880
Balance at December 31, 2022	$ (886,054)	(116,572)	(198,563)	(682,476)	(344,170)	(40,860)	(282,007)

(s) Share-based payment transactions

(i) Restricted shares to employees

1) A resolution was approved during the shareholders' meeting on June 18, 2020, for a capital increase, wherein the Company to issued 63,000,000 new shares of restricted shares to those full-time employees who meet the Company's requirements. The above transaction had been registered with, and approved by the Securities and Futures Bureau of the Financial Supervisory Commission, R.O.C. Furthermore, on December 23, 2020, the Board of Directors approved to issue all the restricted shares, with the issuance date set on February 18, 2021, wherein the fair value on the grant date amounted to $30 per share.

Those employees who were granted the restricted share awards are entitled to purchase shares without remuneration, with the condition that these employees continue to provide services to the Company for at least 2 years, 3 years and 4 years (from the grant date), while 34%, 33% and 33% of the restricted shares are vested respectively depending on the completion of both the Company and their personal performance in each year. The restricted shares are kept by a trust, which are appointed by the Company, before it is vested. These shares shall not be sold, pledged, transferred, gifted, or disposed, by any other means to third parties during the custody period. The voting rights of these shareholders are executed by the custodian, and the custodian will act based on law and regulations. In addition, the appropriated dividends are also kept by a trust. If the shares remain unvested after the vesting period, the Company will repurchase all the unvested shares without compensation and cancel the shares thereafter.

2) Details of the restricted shares of the Company are as follows:

(Unit: in thousand shares)

	2023	2022
Outstanding at 1 January	$ 60,780	62,640
Vested during the year	(18,993)	(210)
Canceled during the year	(1,836)	(1,650)
Outstanding at 31 December	$ 39,951	60,780

(Continued)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

3) The Company has recovered the cash dividends of $0 and $396, distributed for those employees who did not meet the vesting conditions in 2023 and 2022, respectively. The relevant registration procedures had been completed.

(ii) Treasury shares transfer to employees

1) The Company transferred 58,769,000 shares repurchased in 2020 to employees based on the resolution approved during the board meeting held on November 12, 2020. The treasury shares were granted to the full-time employees of the subsidiary at home and aboard who meet the specific requirement.

2) Details of the treasury shares transfer to employees of the Company are as follows:

(Unit: in thousand shares)

	2023	2022
Outstanding at 1 January	$ 54,524	58,769
Exercised during the year	(21,255)	(4,245)
Outstanding at 31 December	$ 33,269	54,524

(iii) The Company used the Black Scholes model in measuring the fair values of the share-based payment at the grant dates as follows:

	Restricted shares to employees	Treasury shares transfer to employees
Fair value at grant date (in dollars)	30	1.87
Stock price at grant date (in dollars)	-	29.20
Exercise price (in dollars)	-	27.35
Expected life of the option (years)	4 years	0.03 years
Expected volatility (%)	28.33%~29.87%	28.224%
Risk-free interest rate (%)	0.1130%~0.1505%	0.2907%

(iv) Compensation costs

The compensation costs recognized by the Company in 2023 and 2022 were as follows:

	2023	2022
Restricted shares to employees	$ 360,372	309,072

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WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(t) Earnings per share ("EPS")

	2023	2022
Basic earnings per share:		
Net profit belonging to ordinary shareholders	$ 11,471,616	11,162,451
Weighted average ordinary shares outstanding (in thousands)	2,809,733	2,783,285
Basic EPS (in dollars)	$ 4.08	4.01
Diluted EPS:		
Net profit belonging to ordinary shareholders	$ 11,471,616	11,162,451
Weighted average ordinary shares outstanding (in thousands)	2,809,733	2,783,285
Effect of potentially dilutive ordinary shares (in thousands):		
Employees' remuneration	33,794	81,628
Restricted shares to employees	41,123	44,094
Weighted average ordinary shares outstanding plus the effect of potentially dilutive ordinary shares (in thousands)	2,884,650	2,909,007
Diluted EPS (in dollars)	$ 3.98	3.84

(u) Revenue from contracts with customers

(i) Disaggregation of revenue

	2023	2022
Primary geographical markets		
United states	$ 211,443,901	217,969,323
China	60,109,489	121,581,547
Europe	178,133,375	211,126,732
Others	185,536,312	136,151,092
	$ 635,223,077	686,828,694
Major products		
Computer, Communication & Consumer electronics	$ 557,972,317	576,681,519
Others	77,250,760	110,147,175
	$ 635,223,077	686,828,694

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(ii) Contract balances

	December 31, 2023	December 31, 2022	January 1, 2022
Trade receivables	$ 84,189,168	51,771,737	57,640,567
Trade receivables-related parties	154,972,880	127,587,415	167,085,792
Less: loss allowance	(90,951)	(184,415)	(602,369)
	$ 239,071,097	179,174,737	224,123,990

	December 31, 2023	December 31, 2022	January 1, 2022
Current contract liabilities-warranty and advance receipts	$ 3,611,602	2,650,518	2,283,411
Current refund liability	$ 11,797,625	7,828,669	10,434,341

For details on note and trade receivables and loss allowance, please refer to Note 6(e).

The contract liabilities were primarily related to the advance received from customers due to the warranty service. The major change in the balance of contract liabilities is the difference between the time frame of the performance obligation to be satisfied and the payment to be received. The amounts of revenue recognized for the years ended December 31, 2023 and 2022 that were included in the contract liability balance at the beginning of both years were $617,332 and $617,252, respectively.

(v) Non-operating income and expenses

(i) Interest income

The details of interest income for the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Interest income	$ 157,077	169,445

(ii) Other income

The details of other income for the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Dividend income	$ 130,008	127,918
Rental income	64,115	61,042
Total	$ 194,123	188,960

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(iii) Other gain and loss

The details of other gain and loss were as follows:

	2023	2022
Foreign exchange gains (losses), net	$ 550,258	(467,426)
Gains (losses) on disposal of investments, net	25,994	(3,173)
Gains (losses) on disposal of property plant and equipment, net	(15,184)	5,396
Gains on financial assets or liabilities at fair value through profit or loss, net	247,062	3,810,229
Other investment gains (losses), net	85,784	(130,773)
Others	187,188	104,540
Total	$ 1,081,102	3,318,793

(iv) Finance costs

	2023	2022
Interest Expense	$ 6,160,669	3,984,908

(w) Remunerations to employees and directors

According to the Company' s Article of Incorporation, if the Company incur profit for the year (excluding the amounts of remuneration to employees and directors), the Company shall recognize the remuneration to employees and directors by the following rules. However, if the Company have accumulated deficits, it shall reserve the amount for offsetting deficits.

(i) The Company shall allocate not less than 5% of annual profits as employees' remuneration. The Company may distribute in the ways of shares or cash to the employees, the employees of subsidiaries of the Company, which depends on certain specific requirements determined by the Board of Directors.

(ii) The Company shall allocate not more than 1% of annual profit as the remuneration to directors in cash.

The estimated amounts of remuneration for the Company's employees and directors were as follows:

	2023	2022
Employee's remuneration	$ 2,170,537	2,009,595
Directors' remuneration	114,314	100,000
	$ 2,284,851	2,109,595

(Continued)

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The amounts were calculated by the net profit before tax excluding employees' and directors' remuneration of each year multiplied by the percentage of employees' and directors' remuneration as specified in the Company's Article of Incorporation. The amounts were accounted for under cost of sales and operating expenses in 2023 and 2022. The differences between the estimated amounts in the financial statements and the actual amounts approved by the Board of Directors, if any, shall be accounted for as a change in accounting estimate and recognized in next year. Shares distributed as employees' remuneration were calculated based on the closing price of the Company's shares on the day before the approval by the Board of Directors.

The amounts, as stated in financial statements, were the same with those of actual distributions for 2023 and 2022. The remuneration to employees in 2022 was paid in cash. Related information would be available at the Market Observation Post System website.

(x) Financial instruments

(i) Credit risk

1) Exposure to credit risk

The carrying amounts of financial assets represented the maximum amount exposed to credit risk.

2) Concentration of credit risk

The Company's majority customers were in high-tech industries. To reduce concentration of credit risk, the Company evaluated customers' financial positions periodically and requires its customers to provide collateral or promissory notes, if necessary. Besides, the Company periodically evaluated the recoverability of trade receivables and recognized as loss allowances for doubtful accounts. Furthermore, it bought insurance for the tradeF receivables. As of December 31, 2023 and 2022, 75% and 67% of the Company's trade receivables were concentrated on 4 and 5 specific customers, respectively. Therefore, the Company was exposed to credit risk.

(ii) Liquidity risk

The followings were the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying amount	Contractual cash flow	Within 1 year	1-5 years	More than 5 years
As of December 31, 2023					
Non-derivative financial liabilities					
Short-term loans	$ 66,268,203	66,419,657	66,419,657	-	-
Note and trade payables (including related parties)	182,203,017	182,203,017	182,203,017	-	-
Other payables (including related parties)	16,934,769	16,934,769	16,934,769	-	-
Lease liabilities	1,838,985	2,240,863	384,443	663,719	1,192,701
Long-term loans (including current portion)	18,319,673	19,990,749	726,100	17,242,185	2,022,464
Subtotal	285,564,647	287,789,055	266,667,986	17,905,904	3,215,165
Derivative financial liabilities					
Foreign currency forward contracts:					
Outflow	187,097	187,097	187,097	-	-
Carrying amount	187,097	187,097	187,097	-	-
Total	$ 285,751,744	287,976,152	266,855,083	17,905,904	3,215,165
As of December 31, 2022					
Non-derivative financial liabilities					
Short-term loans	$ 74,037,266	74,123,702	74,123,702	-	-
Note and trade payables (including related parties)	134,801,503	134,801,503	134,801,503	-	-
Other payables (including related parties)	15,316,019	15,316,019	15,316,019	-	-
Lease liabilities	1,966,672	2,391,420	412,433	772,324	1,206,663
Long-term loans (including current portion)	14,930,093	15,706,618	5,657,776	8,599,464	1,449,378
Subtotal	241,051,553	242,339,262	230,311,433	9,371,788	2,656,041
Derivative financial liabilities					
Foreign currency forward contracts:					
Outflow	161	161	161	-	-
Carrying amount	161	161	161	-	-
Total	$ 241,051,714	242,339,423	230,311,594	9,371,788	2,656,041

(Continued)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

The Company did not expect that the cash flows included in the maturity analysis would occur significantly earlier or at significantly different amounts.

(iii) Market risk

1) Currency risk

a) Exposure to currency risk

The Company's significant exposures to foreign currency risk were as follows:

	December 31, 2023				December 31, 2022			
	Foreign currency (in thousands)	Exchange rate		TWD	Foreign currency (in thousands)	Exchange rate		TWD
Financial assets								
Monetary items								
USD	8,969,833	USD/TWD=	30.735	275,687,817	6,235,643	USD/TWD=	30.708	191,484,125
Non-monetary items								
USD	2,472,017	USD/TWD=	30.735	75,977,429	2,300,156	USD/TWD=	30.708	70,633,188
Financial liabilities								
Monetary items								
USD	8,405,005	USD/TWD=	30.735	258,327,829	5,954,845	USD/TWD=	30.708	182,861,380

(Continued)

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Notes to the Parent Company Only Financial Statements

b) Currency risk sensitivity analysis

The Company's exposure to foreign currency risk arose from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, trade receivables (including related parties), other receivables (including related parties), loans, trade payables (including related parties) and other payables (including related parties) that were denominated in foreign currency.

A Strengthening (weakening) 5% of appreciation (depreciation) of the TWD against the USD as of December 31, 2023 and 2022, would change the net profit after tax by $694,400 and $344,910, respectively. The analysis assumes that all other variables remain constant.

2) Interest analysis

The interest risk for financial liabilities of the Company would be explained in liquidity risk management stated in this note.

The following sensitivity analysis was based on the risk exposure to interest rates on non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumed the variable rate liabilities were outstanding for the whole year on the reporting date.

If the interest rate change by 25 basis points, the Company's net profit after tax would change by $55,430 and $60,017 for the years ended December 31, 2023 and 2022, respectively, with all other variable factors that remained constant. This was mainly due to the Company's borrowings in floating variable rate.

3) Other market price risk

For the years ended December 31, 2023 and 2022, the sensitivity analyses for the changes in the securities price at the reporting dates were performed using the same basis for the profit or loss as illustrated below:

	2023	2022
Price of securities at reporting date	**After-tax other comprehensive income**	**After-tax other comprehensive income**
Increasing 3%	**$ 142,158**	**110,057**
Decreasing 3%	**$ (142,158)**	**(110,057)**

(Continued)

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Notes to the Parent Company Only Financial Statements

4) Fair value information

a) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss, financial instruments used for hedging, and financial assets at fair value through other comprehensive income was measured on a recurring basis. The carrying amount and fair value of the Company's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount was reasonably close to the fair value, and, disclosure of fair value information was not required:

	December 31, 2023				
	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**Total**
Current financial assets at fair value through profit or loss					
Derivative financial assets	**$ 2,570**	**-**	**2,570**	**-**	**2,570**
Current financial assets at fair value through other comprehensive income					
Trade receivables	**$ 30,269,163**	**-**	**-**	**-**	**-**
Non-current financial assets at fair value through profit or loss					
Convertible bonds	**$ 47,794**	**-**	**-**	**47,794**	**47,794**
Non-current financial assets at fair value through other comprehensive income					
Equity instruments	**$ 5,024,387**	**3,388,086**	**-**	**1,636,301**	**5,024,387**
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 2,416,303	-	-	-	-
Restricted deposits	283	-	-	-	-
Trade receivables (including related parties)	208,801,934	-	-	-	-
Other receivables (including related parties)	8,445,958	-	-	-	-
Bonds	10,000	-	-	-	-
Subtotal	**$ 219,674,478**	**-**	**-**	**-**	**-**
Refundable deposits	**$ 1,473,772**	**-**	**-**	**-**	**-**
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	**$ 187,097**	**-**	**187,097**	**-**	**187,097**
Financial liabilities measured at amortized cost					
Short-term loans	$ 66,268,203	-	-	-	-
Note and trade payables (including related parties)	182,203,017	-	-	-	-
Other payables (including related parties)	16,934,769	-	-	-	-
Lease liabilities	1,838,985	-	-	-	-
Long-term loans (including current portion)	18,319,673	-	-	-	-
Subtotal	**$ 285,564,647**	**-**	**-**	**-**	**-**

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

	December 31, 2022				
	Carrying amount	Level 1	Level 2	Level 3	Total
Current financial assets at fair value through profit or loss					
Derivative financial assets	$ 152,284	-	152,284	-	152,284
Current financial assets at fair value through other comprehensive income					
Trade receivables	$ 15,141,423	-	-	-	-
Non-current financial assets at fair value through profit or loss					
SAFE	$ 73,392	-	-	73,392	73,392
Non-current financial assets at fair value through other comprehensive income					
Equity instruments	$ 3,931,066	2,410,211	-	1,520,855	3,931,066
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 10,252,203	-	-	-	-
Restricted deposits	300,557	-	-	-	-
Trade receivables (including related parties)	164,033,314	-	-	-	-
Other receivables (including related parties)	7,970,649	-	-	-	-
Subtotal	$ 182,556,723	-	-	-	-
Refundable deposits	$ 661,058	-	-	-	-
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	$ 161	-	161	-	161
Financial liabilities measured at amortized cost					
Short-term loans	74,037,266	-	-	-	-
Note and trade payables (including related parties)	134,801,503	-	-	-	-
Other payables (including related parties)	15,316,019	-	-	-	-
Lease liabilities	1,966,672	-	-	-	-
Long-term loans (including current portion)	14,930,093	-	-	-	-
Subtotal	$ 241,051,553	-	-	-	-

b) Valuation techniques for financial instruments measured at fair value

i) Non-derivative financial instruments

The fair value of financial instruments which traded in an active market was based on the quoted market price. The quotation announced by the stock exchange center or exchange center of central government bond, might be regarded as the fair value of the listed equity securities and debt instruments which was traded in an active market.

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A financial instrument was regarded as being quoted in an active market if quoted prices were readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm' s-length basis. Whether transactions taking place ' regularly' was a matter of judgment and depended on the facts and circumstances of the market for the instrument.

Quoted market prices might not be indicative of the fair value of an instrument if the activity in the market was infrequent, the market was not well-established, only small volumes were traded, or bid-ask spreads were very wide. Determining whether a market was active involves judgment.

The listed stock and bond was traded in the active market and its fair value was based on the quoted market price accordingly.

Measurements of fair value of financial instruments without an active market were based on valuation technique or quoted price from a competitor. Fair value, measured by using valuation technique that could be extrapolated from either similar financial instruments or discounted cash flow method or the market transaction prices of the similar companies or other valuation techniques, including models, was calculated based on available market data at the reporting date.

The financial instrument of the Company was not traded in an active market, its fair value was determined basing on the ratio of the quoted market price of the comparative listed company and its book value per share. Also, the fair value was discounted for its lack of liquidity in the market.

ii) Derivative financial instruments

Measurement of the fair value of derivative instruments was based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models.

Fair value of forward currency was usually determined by the forward currency exchange rate.

c) Transfer between level 1 and level 3: None

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d) Changes between level 3

The movements in the reconciliation of level 3 fair values during the years ended December 31, 2023 and 2022 were as follows:

	Fair value through profit or loss	Fair value through other comprehensive income	
	Non-derivative financial assets mandatorily measured at fair value through profit or loss	Unquoted equity instruments	Total
January 1, 2023	$ 73,392	1,520,855	1,594,247
Total gains and losses recognized			
in profit or loss	90,320	-	90,320
in other comprehensive income	-	(269,935)	(269,935)
Reclassified	(162,582)	162,582	-
Purchased	46,664	355,303	401,967
Disposal and return of capital	-	(52,329)	(52,329)
Effect of tax	-	(80,175)	(80,175)
December 31, 2023	$ **47,794**	**1,636,301**	**1,684,095**

	Fair value through profit or loss	Fair value through other comprehensive income	
	Non-derivative financial assets mandatorily measured at fair value through profit or loss	Unquoted equity instruments	Total
January 1, 2022	$ -	1,023,260	1,023,260
Total gains and losses recognized			
in profit or loss	17,922	-	17,922
in other comprehensive income	-	(15,346)	(15,346)
Purchased	55,470	533,961	589,431
Disposal and return of capital	-	(48,597)	(48,597)
Effect of tax	-	27,577	27,577
December 31, 2022	$ **73,392**	**1,520,855**	**1,594,247**

For the years ended December 31, 2023 and 2022, total gains and losses that were included in "other gains and losses" and "unrealized gains and losses from financial assets measured at fair value through other comprehensive income" were as follows:

	2023	2022
Total gains and losses recognized:		
in profit or loss, and presented in "other gains and losses"	$ 90,320	17,922
in other comprehensive income, and presented in "unrealized gains (losses) from financial assets measured at fair value through other comprehensive income"	(269,935)	(15,346)
	$ **(179,615)**	**2,576**

(Continued)

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Notes to the Parent Company Only Financial Statements

e) Quantified information on significant unobservable inputs (level 3) used in fair value measurement

The Company's financial instruments that used level 3 inputs to measure fair value include " financial assets measured at fair value through profit or loss-debt investments" and " financial assets measured at fair value through other comprehensive income-equity investments".

Most of the fair value measurements categorized within level 3 used the single and significant unobservable input. Equity investments without an active market contained multiple significant unobservable inputs. The significant unobservable inputs of the equity investments were independent from each other, as a result, there was no relevance between them.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation Technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Financial assets measured at fair value through profit or loss – SAFE and convertible bonds	Binary tree model	·EV/Revenue (as of December 31, 2023, were 7.41~9.05)	·The estimated fair value would increase if the multiplier was higher.
		·Volatility (as of December 31, 2023, were 23.42%~33.42%)	·The estimated fair value would increase if the volatility was higher.
		·Liquidity discount rate (as of December 31, 2023, was 15.74%)	·The estimated fair value would decrease if the liquidity discount rate was higher.
	Black-Scholes Option Pricing Model	·Liquidity discount rate (as of December 31, 2022, was 25.33%)	·The estimated fair value would decrease if the liquidity discount rate was higher.
		·Volatility (as of December 31, 2022, was 39.52%)	·The estimated fair value would decrease if the volatility was higher.
Financial assets measured at fair value through other comprehensive income-equity investments without an active market	Comparable listed companies approach-equity method	·Price-book ratio (as of December 31, 2023, were 0.96~4.81 and December 31, 2022, were 1.21~10.30)	·The estimated fair value would increase if the multiplier was higher.
		·Market liquidity discount rate (as of December 31, 2023 and 2022, were 20%)	·The estimated fair value would decrease if market liquidity discount rate was higher.
	Net asset value method	·Net asset value	·Not applicable

(Continued)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

f) Fair value measurements in level 3-sensitivity analysis of reasonably possible alternative assumptions.

The Company's measurement on the fair value of financial instruments was deemed reasonable despite different valuation models or assumptions might lead to different results. For fair value measurements in level 3, changing one or more of the assumptions would have the following effects on profit or loss and other comprehensive income:

	Inputs	Increase or decrease	Profit or loss Favorable	Profit or loss Unfavorable	Other comprehensive income Favorable	Other comprehensive income Unfavorable
December 31, 2023						
Financial assets measured at fair value through profit or loss	EV/ Revenue	5%	$ 2,390	(2,390)	-	-
	Volatility	5%	$ 2,390	(2,390)	-	-
	Liquidity discount rate	5%	$ 2,390	(2,390)	-	-
Financial assets at fair value through other comprehensive income	Price book ratio	5%			19,959	(19,959)
	Market liquidity discount rate	5%	-	-	19,959	(19,959)
	Net assets value method	5%	-	-	61,856	(61,856)
December 31, 2022						
Financial assets measured at fair value through profit or loss	Volatility	5%	3,670	(3,670)	-	-
	Liquidity discount rate	5%	3,670	(3,670)	-	-
Financial assets at fair value through other comprehensive income	Price book ratio	5%	-	-	14,995	(14,995)
	Market liquidity discount rate	5%	-	-	14,995	(14,995)
	Net asset value method	5%	-	-	65,207	(65,207)

The favorable and unfavorable effects represented the changes in fair value, and fair value was based on a variety of unobservable inputs calculated using a valuation technique. The analysis above only reflected the effects of changes in a single input, and it did not include the interrelationships with another input.

5) Offsetting financial assets and financial liabilities

The Company had financial instrument transactions applicable to the Section 42 of International Financial Reporting Standards No. 32 approved by the FSC which required for offsetting. Financial assets and liabilities relating to those transactions were recognized in the net amount of the balance sheets.

(Continued)

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Notes to the Parent Company Only Financial Statements

The following tables presented the aforesaid offsetting financial assets and financial liabilities.

Unit: Foreign currency in thousands

December 31, 2023

Financial assets that were offset based on an enforceable master netting arrangement or similar agreement

		Gross amounts of recognized financial assets (a)	Gross amounts of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c)=(a)-(b)	Amounts not offset in the balance sheet(d) Financial instruments	Amounts not offset in the balance sheet(d) Cash collateral received	Net amount (e)=(c)-(d)
Other non-current assets	USD	249,860	249,860	-	-	-	-
	CNY	2,695,076	2,695,076	-	-	-	-
	JPY	53,174,965	53,174,965	-	-	-	-

December 31, 2023

Financial liabilities that were offset based on an enforceable master netting arrangement or similar agreement

		Gross amounts of recognized financial liabilities (a)	Gross amounts of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c)=(a)-(b)	Amounts not offset in the balance sheet(d) Financial instruments	Amounts not offset in the balance sheet(d) Cash collateral received	Net amount (e)=(c)-(d)
Short-term loans	USD	249,860	249,860	-	-	-	-
	CNY	2,695,076	2,695,076	-	-	-	-
	JPY	53,174,965	53,174,965	-	-	-	-

December 31, 2022

Financial assets that were offset based on an enforceable master netting arrangement or similar agreement

		Gross amounts of recognized financial assets (a)	Gross amounts of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c)=(a)-(b)	Amounts not offset in the balance sheet(d) Financial instruments	Amounts not offset in the balance sheet(d) Cash collateral received	Net amount (e)=(c)-(d)
Other non-current assets	USD	513,410	513,410	-	-	-	-
	CNY	9,620,207	9,620,207	-	-	-	-

December 31, 2022

Financial liabilities that were offset based on an enforceable master netting arrangement or similar agreement

		Gross amounts of recognized financial liabilities (a)	Gross amounts of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c)=(a)-(b)	Amounts not offset in the balance sheet(d) Financial instruments	Amounts not offset in the balance sheet(d) Cash collateral received	Net amount (e)=(c)-(d)
Short-term loans	USD	513,410	513,410	-	-	-	-
	CNY	9,620,207	9,620,207	-	-	-	-

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(y) Financial risk management

(i) By using financial instruments, the Company was exposed to risks as below:

1) Credit risk

2) Liquidity risk

3) Market risk

Detailed information about exposure risk arising from the aforementioned risks was listed below. The Company's objective, policies and processes for managing risks and methods used to measure the risk arising from financial instruments.

(ii) Risk management framework

The Company's finance management department provided business services for the overall internal department. It set the objectives, policies and processes for managing the risk and the methods used to measure the risk arising from both the domestic and international financial market operations.

The Company minimized the risk exposure through derivative financial instruments. The Shareholder's meeting regulated the use of derivative financial instruments in accordance with the Company's policy about risks arising from financial instruments to which the Company was exposed to. The Company's internal auditors continued with the review of the amount of the risk exposure in accordance with the Company's policy and the risk management policies and procedures. Derivative contracts of the company with several financial institutions were intended to manage foreign currency exchange and interest rate fluctuation risks.

The chief of finance management department arranged a meeting to review the strategy and performance, then reported the results to Chief Financial Officer and Chairman periodically.

(iii) Credit risk

Credit risk was the risk of financial loss to the Company if a customer or counterparty to financial instruments failed to meet its contractual obligations that arose principally from the Company's trade receivables and investments.

1) Trade receivables

The Company's credit policy was transacting with creditworthy customers, and obtained collateral to mitigate risks arising from financial loss due to default. The Company would transact with corporations of credit ratings equivalent to investment grade and such ratings were provided by independent rating agencies. Where it was not possible to obtain such information, the Company would assess the ratings based on other publicly available financial information and transactions records with its major customers. The Company continued to monitor the exposure to credit risk and counterparty credit rating, and evaluated the customers' credit rating and credit limit via automatic finance system to manage the credit exposure.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

2) Investments

The credit risk exposure in the bank deposits, other financial instruments and equity instruments were measured and monitored by the Company's finance department. Since the Company's transactions resulted from the external parties with good credit standing and investment grade above financial institutions, publicly-traded stocks companies and non publicly-traded stocks companies, there were no incompliance issues and therefore no significant credit risk.

3) Guarantee

According to the Company's policy, the Company could only provide guarantee to which was listed under the regulation. The Company did not provide guarantees to any non-consolidated subsidiaries as of December 31, 2023 and 2022.

(iv) Liquidity risk

The Company maintained sufficient cash and cash equivalents so as to cope with its operations and mitigate the effects of fluctuations in cash flows. The Company's management supervised the bank loan facilities and ensured in compliance with the terms of the loan agreements.

The loan was an important source of liquidity for the Company. As of December 31, 2023 and 2022, the Company had unused credit facilities for short-term and long-term loans of $89,737,067 and $77,580,774, respectively.

(v) Market risk

Market risk was the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices would affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management was to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Company was exposed to currency risk on sales, purchases and borrowings that were denominated in a currency other than the respective functional currencies of the Company's entities, the New Taiwan Dollars. The currencies used in these transactions were denominated in TWD, EUR, USD, JPY and CNY.

The foreign currency assets and liabilities might lead to the interest risk since the fluctuation of the market exchange rate influenced the Company's future cash flow. The Company entering into forward and swap contracts were intended to manage the exchange rate risk due to the Company's current and future demands for foreign currency. The contract periods were decided in consideration of the Company's foreseeable assets and liabilities and expected cash flow. At the maturity date of the derivative contract, the Company would settle these contracts using the foreign currencies arising from the assets denominated in foreign currency.

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

2) Interest risk

The Company’s short-term loans, long-term loans and advances from factoring of trade receivables bore floating interest rates. The changes in effective rate along with the fluctuation of the market interest rate influenced the Company’s future cash flow. The Company reduced the interest risks by negotiating the loan interest rates frequently with banks.

3) Other market price risk

The Company monitored the risk arising from its security instruments, which were held for monitoring cash flow requirements and unused capital. The management of the Company monitored the combination of equity securities and open market funds in its investment portfolio based on cash flow requirements. Material investments within the portfolio were managed on an individual basis, and all buy-and-sell decisions were approved by the Board of Directors.

(z) Capital management

Through clear understanding and managing of significant changes in external environment, related industry characteristics, and corporate growth plan, the Company managed its capital structure to ensure it had sufficient financial resources to sustain proper liquidity, to invest in capital expenditures, as well as research and development expenses, to repay debts, and to distribute dividends in accordance with its plan. The management pursued the most suitable capital structure by monitoring and maintaining proper financial ratios as below. The Company aimed to enhance the returns of its shareholders through achieving an optimized debt-to-equity ratio regularly.

The Company controlled the capital structure through regularly reviewing debt-to-equity ratio. The debt-to-equity ratio of the Company as of December 31, 2023 and 2022, were as follow:

	December 31, 2023	December 31, 2022
Total liabilities	$ 317,554,984	265,365,510
Less: cash and cash equivalents	(2,416,303)	(10,252,203)
Net debt	315,138,681	255,113,307
Total equity	104,224,111	96,382,149
Adjusted equity	**$ 419,362,792**	**351,495,456**
Debt-to-equity ratio at December 31	**75.15%**	**72.58%**

(Note): Adjusted equity included total equity and net debt.

As of December 31, 2023, the Company’s capital management strategy was consistent with the prior years.

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Notes to the Parent Company Only Financial Statements

(aa) Financing activities not affecting current cash flow

For the years ended December 31, 2023 and 2022, reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2023	Cash flows	Non-cash changes: Effect of changes in foreign exchange rates	Non-cash changes: Interest expense	Non-cash changes: Others	December 31, 2023
Short-term loans	$ 74,037,266	(7,287,829)	(481,234)	-	-	66,268,203
Long-term loans (including current portion)	14,930,093	3,392,324	(17,377)	-	14,633	18,319,673
Lease liabilities	1,966,672	(477,694)	-	-	350,007	1,838,985
Guarantee deposits	559,719	399,629	(1,039)	-	-	958,309
Total liabilities from financing activities	**$ 91,493,750**	**(3,973,570)**	**(499,650)**	**-**	**364,640**	**87,385,170**

	January 1, 2022	Cash flows	Non-cash changes: Effect of changes in foreign exchange rates	Non-cash changes: Interest expense	Non-cash changes: Others	December 31, 2022
Short-term loans	$ 83,144,342	(14,535,040)	5,427,964	-	-	74,037,266
Long-term loans (including current portion)	24,455,598	(11,519,333)	2,052,831	-	(59,003)	14,930,093
Lease liabilities	1,565,894	(370,628)	-	-	771,406	1,966,672
Guarantee deposits	282,046	278,630	(957)	-	-	559,719
Total liabilities from financing activities	**$ 109,447,880**	**(26,146,371)**	**7,479,838**	**-**	**712,403**	**91,493,750**

(7) Related-party transactions

(a) Names and relationship with related parties

The followings were entities that had transactions with the Company during the periods covered in the consolidated financial statements.

Names of the related party	Relationship
Weshtek Information Technology Services Co., Ltd., Shanghai (WESH) (Note 1)	The Company’s subsidiary
SMS (Kunshan) Co., Ltd. (WMKS)	The Company’s subsidiary
Wistron InfoComm Technology Service (Kunshan) Co., Ltd. (WRKS)	The Company’s subsidiary
Abilliant Corporation (WAC)	The Company’s subsidiary
Wistron Medical Tech (Chongqing) CO., LTD. (WMCQ)	The Company’s subsidiary
LE BEN Investment Ltd. (WLB)	The Company’s subsidiary
International Standards Labs. (ISL)	The Company’s subsidiary
Wise Cap Limited Company (WCL)	The Company’s subsidiary
WIEDU CORPORATION (WETW)	The Company’s subsidiary
Wistron Medical Tech Holding Company (WMH)	The Company’s subsidiary
Wistron Hong Kong Limited (WHK)	The Company’s subsidiary

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Notes to the Parent Company Only Financial Statements

Names of the related party	Relationship
Wistron InfoComm (Shanghai) Corporation (WSH)	The Company’s subsidiary
Wistron InfoComm (Zhongshan) Corporation (WZS)	The Company’s subsidiary
Wistron InfoComm (Chengdu) Co., Ltd. (WCD)	The Company’s subsidiary
Wistron InfoComm (Kunshan) Co., Ltd. (WAKS)	The Company’s subsidiary
Wistron InfoComm (CHONGQING) Co., Ltd. (WCQ)	The Company’s subsidiary
Wistron InfoComm (Taizhou) Co., Ltd. (WTZ)	The Company’s subsidiary
Wistron Digital Technology Holding Company (WDH)	The Company’s subsidiary
Wistron Medical Technology Corporation (WMT)	The Company’s subsidiary
Wistron Optronics (Shanghai) Co., Ltd. (WOSH)	The Company’s subsidiary
Wistron Optronics (Kunshan) Co., Ltd. (WOOK)	The Company’s subsidiary
SMS InfoComm (Singapore) Pte. Ltd. (WSSG)	The Company’s subsidiary
Wistron Advanced Materials(Kunshan) Co., Ltd. (WGKS)	The Company’s subsidiary
Wiwynn Technology Service KunShan Ltd. (WYKS)	The Company’s subsidiary
Wiwynn Corporation (WYHQ)	The Company’s subsidiary
Wistron InfoComm Technology (Zhongshan) Co., Ltd. (WTZS)	The Company’s subsidiary
ANWITH TECHNOLOGY CORPORATION (WCHQ)	The Company’s subsidiary
WiAdvance Technology Corporation (AGI)	The Company’s subsidiary
SMS Infocomm Global Service (CQ) (WSCQ)	The Company’s subsidiary
Wistron Service (Kunshan) Corp. (WSKS)	The Company’s subsidiary
XTRONICS (Kunshan) Electronics Technology Co., Ltd. (XTRKS)	The Company’s subsidiary
Wisuccess Asset Management Corporation (WCA)	The Company’s subsidiary
KAUHSIUNG OPTO-ELECTRONICS INC. (KOE)	The Company’s subsidiary
Wistron Green Energy Holding Company (WGEH)	The Company’s subsidiary
WIBASE INDUSTRIAL SOLUTIONS INC. (WIS)	The Company’s subsidiary
AiSails Power Inc. (AIS)	The Company’s subsidiary
AII Holding Corporation (AIIH)	The Company’s subsidiary
B Temia Asia Pte Ltd. (BTA)	The Company’s subsidiary
Cowin Worldwide Corporation (Cowin)	The Company’s subsidiary
Creator Technology B.V. (WCT) (Note 2)	The Company’s subsidiary
ICT Service Management Solutions (India) Private Limited (WIN)	The Company’s subsidiary
Wistron Medical Technology Japan K.K. (WMJP)	The Company’s subsidiary
Service Management Solutions Mexico S.A. de C.V. (WSMX)	The Company’s subsidiary
SMS InfoComm (Czech) s.r.o. (WSCZ)	The Company’s subsidiary
Smartiply India Private Limited (STI)	The Company’s subsidiary
SMS InfoComm Corporation (WTX)	The Company’s subsidiary
SMS InfoComm Technology Services and Management Solutions Ltd. (WBR)	The Company’s subsidiary

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Notes to the Parent Company Only Financial Statements

Names of the related party	Relationship
SMS InfoComm Technology Services Limited Company (WTR)	The Company’s subsidiary
WiEDU Holding Co., Ltd. (WEDH) (Note 3)	The Company’s subsidiary
WiEdu Hong Kong Limited (WEHK)	The Company’s subsidiary
Win Smart Co., Ltd. (Win Smart)	The Company’s subsidiary
WiseCap (Hong Kong) Limited (WCHK)	The Company’s subsidiary
Wistron Advanced Materials (Hong Kong) Limited (WGHK) (Note 4)	The Company’s subsidiary
Wistron Europe Holding Cooperatie U.A. (WEH) (Note 5)	The Company’s subsidiary
Wistron GreenTech (Texas) Corporation (WGTX)	The Company’s subsidiary
Wistron Green Recycling Technology (Kunshan) Co., Ltd. (WTKS)	The Company’s subsidiary
Wistron Hong Kong Holding Limited (WHHK)	The Company’s subsidiary
Wistron InfoComm (Czech), s.r.o. (WCCZ)	The Company’s subsidiary
Wistron InfoComm (Philippines) Corporation (WSPH)	The Company’s subsidiary
Wistron InfoComm Manufacturing (India) Private Limited (WMMI)	The Company’s subsidiary
Wistron InfoComm Technology (America) Corporation (WITX)	The Company’s subsidiary
Wistron InfoComm Technology (Texas) Corporation (WITT)	The Company’s subsidiary
WISTRON INFOCOMM MEXICO SA de CU (WIMX)	The Company’s subsidiary
Wistron Investment (Sichuan) Co., Ltd. (WSC)	The Company’s subsidiary
Wistron K.K. (WJP)	The Company’s subsidiary
Wistron LLC (WLLC)	The Company’s subsidiary
Wistron Mexico, S.A. de C.V. (WMX)	The Company’s subsidiary
Wistron Mobile Solutions Corporation (WCH) (Note 6)	The Company’s subsidiary
Wistron Technology (Malaysia) Sdn. Bhd. (WMMY)	The Company’s subsidiary
Wistron Technology Service (America) Corporation (WTS)	The Company’s subsidiary
WisVision Corporation (WVS)	The Company’s subsidiary
Wiwynn International Corporation (WYUS)	The Company’s subsidiary
Wiwynn Korea Ltd. (WYKR)	The Company’s subsidiary
Wiwynnn Mexico, S.A. de C.V. (WYMX)	The Company’s subsidiary
Wiwynn Technology Service Hong Kong Limited (WYHK)	The Company’s subsidiary
Wiwynn Technology Service Japan, Inc. (WYJP)	The Company’s subsidiary
WIWYNN TECHNOLOGY SERVICE MALAYSIA SDN. BHD. (WYMY)	The Company’s subsidiary
Wistron InfoComm (Vietnam) Co., Ltd. (WVN)	The Company’s subsidiary
Wistron AiEDGE Corporation (WAUS) (Note 7)	The Company’s subsidiary
Wistron InfoComm Computer (Chengdu) Co., Ltd (WCCD)	The Company’s subsidiary
WISTRON MEDICAL TECHNOLOGY MALAYSIA SDN. BHD. (WMKL)	The Company’s subsidiary

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Names of the related party	Relationship
Wiwynn Technology Service Mexico SA De CV (WYSMX)	The Company's subsidiary
Kaohsiung Opto Electronics (Kunshan) Co., Ltd. (KOEKS) (Note 8)	The Company's subsidiary
Wistron Automotive Electronics (India) Private Limited (WAEI)	The Company's subsidiary
HERACLES ENTERPRISES LIMITED (HCL)	The Company's subsidiary
FORMDSA PROSONIC TECHNOLOGY SDN BHD (FPTC)	The Company's subsidiary
T-CONN PRECISION CORPORATION (TPE)	The Company's associate
Join-Link International Technology Co. Ltd. (JLH)	The Company's associate
Maya International Company, Ltd. (MAYA)	The Company's associate
Wistron NeWeb Corporation (WNC)	The Company's associate
NEWEB VIETNAM CO., LTD. (NVNM)	The Company's associate
Fullerton Ltd. (FLT)	The Company's associate
Wistron Information Technology and Services Corporation (WITS)	The Company's associate
Formosa Prosonic Industries Berhad (FPI)	The Company's associate
LIAN-YI (FAR EAST) LTD. (LYF)	The Company's associate
HSIEH-YUH TECHNOLOGY CO., LTD (HVBVI)	The Company's associate
Wistron Humanities Fundation (WFQ)	The Company's other related party

(Note 1): WESH was liquidated in the fourth quarter of 2022.
(Note 2): WCT was liquidated in the second quarter of 2022.
(Note 3): WEDH was liquidated in the first quarter of 2022.
(Note 4): WGHK was liquidated in the fourth quarter of 2023.
(Note 5): WEH was liquidated in the second quarter of 2022.
(Note 6): WCH was liquidated in the fourth quarter of 2023.
(Note 7): WAUS was liquidated in the fourth quarter of 2023.
(Note 8): KOEKS was liquidated in the second quarter of 2023.

(b) Related party transactions

(i) Sales

The amounts of significant sales transactions and outstanding balances between the Company and related parties were as follows:

	Sales 2023	Sales 2022
Subsidiaries		
WYHQ	$ 48,360,043	68,820,275
Others	70,968,634	87,071,788
Associates	145,667	275,429
	$ 119,474,344	156,167,492

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Notes to the Parent Company Only Financial Statements

	Receivables from related party December 31, 2023	Receivables from related party December 31, 2022
Subsidiaries		
WMMY	$ 30,934,648	2,325,729
WCD	26,924,878	19,974,230
WCQ	26,660,431	18,182,374
WITX	25,576,530	29,270,251
WMMI	23,903,919	30,193,715
Others	20,907,091	27,587,288
Associates	65,383	53,828
	$ 154,972,880	127,587,415

The selling prices and payment terms of trade receivables from related parties were based on varied economic environment and market forms. The above selling prices and payment terms with related parties were not significantly different from those with third-party customers.

(ii) Purchases

The amounts of significant purchase transactions and outstanding balances between the Company and related parties were as follows:

	Purchases 2023	Purchases 2022
Subsidiaries		
WCD	$ 161,975,170	213,389,287
WCQ	116,087,014	102,432,248
WZS	107,395,745	124,779,372
Others	135,704,575	125,241,574
Associates	306,855	746,282
	$ 521,469,359	566,588,763

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	Payables to related party	
	December 31, 2023	December 31, 2022
Subsidiaries		
WCQ	$ 37,910,792	20,213,948
WZS	31,651,405	10,321,413
WCD	26,522,972	28,604,028
WMMY	22,913,849	5,030,499
WMMI	5,793,769	17,517,175
Others	9,629,447	10,613,994
Associates	38,514	50,645
	$ 134,460,748	92,351,702

Trading terms of purchase transactions with related parties were not significantly different from those with third-party vendors.

(iii) Rental income and its outstanding balances were as follow:

	Rental income	
	2023	2022
Subsidiaries		
ISL	$ 6,218	6,218
Others	1,311	1,378
	$ 7,529	7,596

	Other receivables resulted from rental	
	December 31, 2023	December 31, 2022
Subsidiaries		
ISL	$ 1,632	1,632
Others	228	124
	$ 1,860	1,756

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(iv) Property transactions, operating expenses and their outstanding balances were as follows:

	Proceeds	
	2023	2022
Disposal of assets		
Subsidiaries	$ 256,232	147,632

	Acquisition price	
	2023	2022
Acquisition of assets		
Subsidiaries	$ 172,604	162,115

	Contribution expenses	
	2023	2022
Contribution		
WFQ	$ 33,487	35,616

	Other receivables	
	December 31, 2023	December 31, 2022
Receivables from disposal of assets		
Subsidiaries	$ 947	-

	Other payables	
	December 31, 2023	December 31, 2022
Payables resulting from acquisition of assets		
Subsidiaries	$ 101,187	6,588

(v) Financing to related parties

The loans to related parties were as follows:

	2023					
	Date of maximum outstanding balance	Maximum outstanding balance	Ending balance	Interest rate	Interest income	Interest receivables
KOE	2023.12	$ 2,700,000	1,200,000	2.00%	28,373	-

	2022					
	Date of maximum outstanding balance	Maximum outstanding balance	Ending balance	Interest rate	Interest income	Interest receivables
KOE	2022.12	$ 3,500,000	1,500,000	2.00%	15,732	-

(Continued)

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(vi) Advances to related parties

The Company paid certain expenses on behalf of related parties including purchase, warranty expense, repair expense and other disbursements were as follows:

	Other receivables to related parties	
	December 31, 2023	December 31, 2022
Subsidiaries	$ 359,590	969,475
Associates	4,514	2,612
	$ 364,104	**972,087**

(vii) Advances from related parties

Related parties paid certain expenses on behalf of the Company, including warranty expenses, traveling expenses, and salaries for overseas employees were as follows:

	Other payables to related parties	
	December 31, 2023	December 31, 2022
Subsidiaries	$ 1,630,925	1,629,756
Associates	32,930	41,043
	$ 1,663,855	**1,670,799**

(viii) Receivables from related parties resulting from the above transactions were as follows:

	December 31, 2023	December 31, 2022
Rental receivables	$ 1,860	1,756
Receivables from disposal of assets	947	-
Financing and interest receivables	1,200,000	1,500,000
Other receivables	364,104	972,087
	$ 1,566,911	**2,473,843**

(ix) Payables to related parties resulting from the above transactions were as follows:

	December 31, 2023	December 31, 2022
Payables resulting from acquisition of assets	$ 101,187	6,588
Other payables	1,663,855	1,670,799
	$ 1,765,042	**1,677,387**

(Continued)

6 Financial Standing

WISTRON CORPORATION
Notes to the Parent Company Only Financial Statements

(c) Transactions with key management personnel

Key management personnel remuneration:

	2023	2022
Short-term employee benefits	$ 145,429	120,339
Post-employment benefits	3,912	2,892
Other long-term benefits	1,992	2,024
	$ 151,333	**125,255**

(8) Pledged assets:

The carrying values of pledged assets were as follow:

Pledged assets	Object	December 31, 2023	December 31, 2022
Other non-current assets-restricted deposits	Stand by L/C	**$ 283**	**1,905**

(9) Commitments and contingencies: None

(10) Losses due to major disasters: None.

(11) Subsequent events:

(a) The appropriation of earnings for 2023 that was approved at the Board of Directors meeting on March 12, 2024, was as follows:

	2023
Ordinary share dividends	
Cash dividends	**$ 7,461,546**

The aforesaid appropriation of earnings for 2023 is to be presented for approval in the shareholders' meeting to be held in May 2024.

(Continued)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(12) Other:

(a) Total personnel, depreciation and amortization expenses categorized by function were as follows:

	2023			2022		
	Cost of sales	**Operating expenses**	**Total**	**Cost of sales**	**Operating expenses**	**Total**
Personnel expenses						
Salaries	2,984,316	12,915,823	15,900,139	2,943,788	12,805,580	15,749,368
Labor and health insurance	257,584	840,875	1,098,459	243,779	836,183	1,079,962
Pension	90,984	471,565	562,549	92,321	457,980	550,301
Remuneration of directors	-	115,064	115,064	-	100,590	100,590
Others	195,204	285,559	480,763	186,043	278,766	464,809
Depreciation (Note)	798,374	743,566	1,541,940	617,747	640,720	1,258,467
Amortization	3,049	297,168	300,217	1,625	333,349	334,974

(Note) : The depreciation of the investment property for the years ended December 31, 2023 and 2022, amounted to $3,745, which was recognized under other gains and losses.

For the years ended December 31, 2023 and 2022, the information on numbers of employees and employee benefit expense of the Company was as follows:

	2023	2022
Numbers of employees	10,856	11,007
Numbers of directors (non-employee)	7	7
Average employee benefit expense	$ 1,663	1,622
Average employee salary expense	$ 1,466	1,432
Percentage of increase in average employee salary expense	2.37 %	1.85 %
Supervisor's remuneration	$ -	-

The Company's salary and remuneration policy (including directors, managers and employees) were as follows:

(i) The remunerations to directors were in accordance with No. 11 and No.16 of the Company's Articles of Incorporation wherein if the Company incurs profit for the year (excluding the amounts of remuneration to employees and directors), the Company shall allocate not more than 1% of annual profit as the remuneration to directors by taking into consideration the Company's overall operating performance and the individual value of the services provided to the Company.

(Continued)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(ii) The remuneration to the general managers and deputy general managers is divided into fixed and variable portions as follows, wherein the variable part dominates.

1) Fixed remuneration: including salary, annual bonus and employee benefit by taking into account the standards of the industry.

2) Variable remuneration: including performance bonus, remuneration (cash and stocks) and stock options based on the Company's operation and individual performance. The higher the performance, the greater the variable of remuneration. The indicators of evaluation are as below:

a) Financial indicators: Revenue, net profit and growth rate.

b) Non-financial indicators: market and customer service indicators, organization and internal processes, such as quality management, as well as the growth and development of each employee (e.g. employee retention and cultivation).

The proportion of each goal is determined at the beginning of the year based on the Company's performance within the domestic and international business environment, as well as projected future risks. The variable remuneration is reviewed and approved by the Salary and Remuneration Committee and the Board of Directors according to the results of goal achievement at the end of the year. The better the operating performance, the higher the proportion of variable remuneration.

(13) Other disclosures:

(a) Information on significant transactions:

The following was the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the year ended December 31, 2023:

(i) Financings to other parties: Please see Table 1 attached.

(ii) Guarantee and Endorsement for other parties: Please see Table 2 attached.

(iii) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures): Please see Table 3 attached.

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of share capital: Please see Table 4 attached.

(v) Acquisition of real estate with amount exceeding the lower of NT$300 million or 20% of share capital : Please see Table 5 attached.

(vi) Disposition of real estate with amount exceeding the lower of NT$300 million or 20% of share capital : None.

(Continued)

WISTRON CORPORATION

Notes to the Parent Company Only Financial Statements

(vii) Total purchases from or sales to related parties with amount exceeding the lower of NT$100 million or 20% of share capital : Please see Table 6 attached.

(viii) Receivables from related parties with amount exceeding the lower of NT$100 million or 20% of share capital : Please see Table 7 attached.

(ix) Derivative transactions : Please refer to Note 6(b) for related information.

(b) Information on investees (excluded investment in Mainland China):

Information on investees for the year ended December 31, 2023: Please see Table 8 attached.

(c) Information on investment in Mainland China : Please see Table 9 attached.

(d) Major shareholders: None.

(14) Segment information:

Please refer to the consolidated financial statements for the year ended December 31, 2023.

Wistron Corporation

Statement of Cash and Cash Equivalents

December 31, 2023

(Expressed in thousands of New Taiwan Dollars / Foreign Currencies)

Item	Description		Amount
Cash on hand			$ 7,531
	USD	0.001	
	EUR	3	
	NTD	7,434	
Demand and check deposits			2,378,464
	USD	36,374	
	EUR	140	
	AUD	0.614	
	GBP	0.808	
	HKD	4	
	JPY	104,894	
	PLN	1,382	
	CNY	852	
	SGD	23	
	CZK	132	
	NTD	1,217,706	
Time deposits			30,308
	SGD	1,300	
Total			$ 2,416,303

Note 1: The ending rates of foreign currency deposits on December 31, 2023 were as follows:
USD/NTD=30.735
EUR/NTD=33.990
AUD/NTD=21.007
GBP/NTD=39.193
HKD/NTD=3.934
JPY/NTD=0.217
PLN/NTD=7.838
CNY/NTD=4.324
SGD/NTD=23.314
CZK/NTD=1.376

Note 2: The period of the time deposits was 4 days, and the annual rate ranges 3.1%.

Wistron Corporation

Statement of Financial Assets Measured at Fair Value through Profit or Loss -Current-Derivative Financial Instruments Not Used for Hedging

December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Description	Name of financial instrument	Notional amounts (in thousands)		Fair value (in thousands of NTD)
Buy foreign currency forward contract	ING Bank	USD	4,000	334
	DBS Bank	USD	6,000	1,067
	J.P. Morgan Private Bank	USD	8,000	1,169
Financial assets measured at fair value through profit or loss-current				2,570
Buy foreign currency forward contract	ING Bank	USD	74,000	(43,781)
	BBVA Bank	USD	8,000	(3,265)
	DBS Bank	USD	66,000	(40,189)
	Standard Chartered Bank	USD	36,000	(27,164)
	United Overseas Bank	USD	69,000	(49,263)
	Deutsche Bank	USD	7,000	(4,365)
	J.P. Morgan Private Bank	USD	44,000	(19,070)
Financial liabilities measured at fair value through profit or loss-current				(187,097)
Total				$ (184,527)

Wistron Corporation

Statement of Trade Receivables

December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Item	Amount
Client H	$ 34,136,780
Client J	13,554,397
Client L	10,974,582
Client K	4,679,338
Others (less than 5%)	20,844,071
Less: loss allowance	(90,951)
Total	$ 84,098,217

Statement of Inventories

December 31, 2023

Item	Amount	
	Cost	Net realizable value
Raw materials	$ 11,057,167	11,745,170
Work in progress	1,003,329	1,000,053
Finished goods	10,176,469	10,663,633
Inventory in transit	7,635,274	7,702,560
Subtotal	29,872,239	31,111,416
Less: provision of valuation of inventories	(743,777)	
Total	$ 29,128,462	

Wistron Corporation

Statement of financial assets measured at fair value through profit and loss-non-current

January 1 to December 31, 2023

(Expressed in thousands of New Taiwan Dollars, shares)

Name	Beginning Balance Share or units	Beginning Balance Amount	Increase Share or units	Increase Amount	Decrease Share or units	Decrease Amount	Gains on Valuation	Reclassification Share or units	Reclassification Amount	Ending Balance Shares or units	Ending Balance Fair Value	Collateral
Princeton Nuenergy Inc.	106	$ 73,392	-	-	-	-	89,190	(106)	(162,582)	-	-	None
AVIZ Network Inc.	-	-	-	46,664	-	-	1,130	-	-	-	47,794	None
Total		$ 73,392		46,664		-	90,320		(162,582)		47,794	

Wistron Corporation

Statement of Financial Assets Measured at Fair Value through Other Comprehensive Income-Non Current

January 1 to December 31, 2023

(Expressed in thousands of New Taiwan Dollars, shares)

Name	Beginning Balance Shares or units	Beginning Balance Amount	Increase Shares or units	Increase Amount	Decrease Shares or units	Decrease Amount	Reclassification Share or units	Reclassification Amount	Gains (Losses) on Valuation	Deferred Income Tax Assets (Liabilities)	Ending Balance Shares or units	Ending Balance Amount	Collateral
Alpha Networks Inc.	19,328	$ 545,044	-	-	(19,328)	(753,106)	-	-	208,062	-	-	-	None
Gamania Digital Entertainment Co., Ltd.	1,126	78,739	-	-	(1,126)	(78,083)	-	-	(656)	-	-	-	None
Super Dragon Technology Co., Ltd.	5,676	112,385	-	-	-	-	-	-	26,110	-	5,676	138,495	None
Global Lighting Technologies Inc.	20,914	1,150,294	-	-	-	-	-	-	(58,560)	-	20,914	1,091,734	None
ARBOR Technology Corp.	4,679	126,556	-	-	-	-	-	-	96,613	-	4,679	223,169	None
AOpen Inc.	1,497	70,786	-	-	(1,171)	(66,273)	-	-	16,294	-	326	20,807	None
FineMat Applied Materials Co., Ltd.	4,589	128,499	-	-	-	-	-	-	13,079	-	4,589	141,578	None
Clientron Corp.	917	20,737	-	-	-	-	-	-	(6,527)	-	917	14,210	None
Plexbio Corporation, LTD	1,227	14,704	-	-	-	-	-	-	2,602	-	1,227	17,306	None
Applied BioCode Corporation	2,075	64,325	-	-	-	-	-	-	(11,828)	-	2,075	52,497	None
Marvell Technology, Inc.	87	98,142	-	-	-	-	-	-	49,438	12,360	87	159,940	None
Howe advanced Ltd.	4,000	-	-	-	-	-	-	-	-	-	4,000	-	None
Lilee Systems, Ltd.	3,528	-	-	-	-	-	-	-	-	-	3,528	-	None
Zeo, Inc.	779	-	-	-	-	-	-	-	-	-	779	-	None
Janus Texhnologies, Inc	864	-	-	-	-	-	-	-	-	-	864	-	None
Vmedia Research Inc.	2,000	-	-	-	-	-	-	-	-	-	2,000	-	None
Tube Inc.	17,009	68,936	-	-	-	-	-	-	28,915	7,229	17,009	105,080	None
Tactus Technology Inc.	7	-	-	-	-	-	-	-	-	-	7	-	None
Videri Inc.	226	11,228	-	-	-	-	-	-	(5,154)	(1,289)	226	4,785	None
Scenera, Inc.	645	1,208	-	-	-	-	-	-	(966)	(242)	645	-	None
Master Transportation Bus Manufactoring Ltd.	2,375	124,083	-	-	-	-	-	-	27,240	-	2,375	151,323	None
AVIZ Networks Inc.	3,781	37,152	-	-	-	-	-	-	(29,722)	(7,430)	3,781	-	None
EV Motors Japan Co., Ltd.	-	57,297	-	-	-	-	-	-	(3,407)	(852)	-	53,038	None
Alchip Technologies, Limited	-	-	690	999,120	-	-	-	-	529,230	-	690	1,528,350	None
Princeton Nuenergy Inc.	-	-	126	191,678	-	-	106	162,582	(215,448)	(53,862)	232	84,950	None
IP Fund Six Co., Ltd.	4,634	42,608	-	-	-	-	-	-	9,615	-	4,634	52,223	None
Corsa Fund 2012, L.P.	-	17,971	-	-	-	-	-	-	(1,612)	(403)	-	15,956	None
Jafco AT Fund VI L.P.	-	181,360	-	-	-	(31,615)	-	-	(77,782)	(19,446)	-	52,517	None
Kibou Fund L.P.	-	42,667	-	-	-	(20,714)	-	-	(17,563)	(4,390)	-	-	None
Fenox Venture Company XIV, L.P.	-	-	-	-	-	-	-	-	-	-	-	-	None
Vertex V (C.I.) Fund L.P.	-	300,203	-	2,745	-	-	-	-	(17,235)	(4,309)	-	281,404	None
China Renewable Energy Fund, L.P.	-	496,361	-	150,880	-	-	-	-	19,273	4,819	-	671,333	None
JAFCO Taiwan I Venture Capital L.P.	-	120,109	-	-	-	-	-	-	7,416	-	-	127,525	None
JAFCO Taiwan II Venture Capital L.P.	-	19,672	-	10,000	-	-	-	-	6,495	-	-	36,167	None
Total		$ 3,931,066		1,354,423		(949,791)		162,582	593,922	(67,815)		5,024,387	

Wistron Corporation

Statement of financial assets measured at amortized cost - non-current

January 1 to December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Name	Beginning Balance		Increase		Decrease		Ending Balance		Collateral
	Units	Amount	Units	Amount	Units	Amount	Units	Amount	
Shin Kong Life Insurance Unsecured Subordinated Ten-years Corporate Bond	-	$ -	10	10,000	-	-	10	10,000	Note

Wistron Corporation

Statement of Movement of Investments Accounted for Using the Equity Method

January 1 to December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Name of investee	Beginning Balance		Increase		Decrease		Investment income (loss)	Reclassification	Ending Balance			Market Value or Net Assets Value		Collateral
	Shares (in thousands)	Amount	Shares (in thousands)	Amount	Shares (in thousands)	Amount		Amount	Shares (in thousands)	Percentage of ownership	Amount	Unit price	Total amount	
WMX	160,044	$ 2,245,535	-	-	-	(490)	173,945	-	160,044	100.00 %	2,418,990	-	2,418,990	None
WTX	4,833	2,008,309	-	-	-	(35)	127,143	-	4,833	100.00 %	2,135,417	442	2,135,417	None
AIIH	437,486	7,789,205	-	57	(5,000)	(166,925)	186,113	-	432,486	100.00 %	7,808,450	18	7,951,822	None
Cowin	213,894	16,597,541	-	710	(200)	(6,078)	969,145	-	213,694	100.00 %	17,561,318	82	17,462,797	None
Win Smart	44,565	21,168,469	-	-	-	(70,564)	2,109,043	-	44,565	100.00 %	23,206,948	521	23,206,948	None
WCL	-	7,918,359	-	1,548,656	-	(195,977)	1,104,066	-	-	100.00 %	10,375,104	-	10,375,104	None
ISL	2,434	124,813	-	3,572	-	(29,828)	45,084	-	2,434	100.00 %	143,641	59	143,641	None
WSPH	139,567	26,652	825,000	466,637	-	(5,760)	12,023	-	964,567	100.00 %	499,552	1	499,552	None
WLLC	8,936	3,599,681	2,000	616,857	-	-	71,171	-	10,936	100.00 %	4,287,709	392	4,287,709	None
WVS	9,150	884,700	-	-	-	(20,517)	78,285	-	9,150	100.00 %	942,468	103	942,468	None
WBR	37,243	606,721	-	56,446	-	-	105,980	-	37,243	99.99 %	769,147	21	769,147	None
WTR	22	80,171	-	-	-	(34,370)	24,054	-	22	99.90 %	69,855	3,175	69,855	None
WGTX	13	115,389	-	1,163	-	-	(74,969)	-	13	100.00 %	41,583	3,199	41,583	None
WGHK	33,500	22,692	-	385	(33,500)	(15,778)	(7,299)	-	-	-	-	-	-	None
WMMY	267,425	5,653,518	-	-	-	(9,028)	981,046	-	267,425	100.00 %	6,625,536	25	6,625,536	None
WSMX	36,429	(172,850)	-	-	-	(25,704)	13,737	-	36,429	100.00 %	(184,817)	(5)	(184,817)	None
WCH	20	472,458	-	26,777	(20)	(509,753)	10,518	-	-	-	-	-	-	None
WYHQ	65,895	14,618,435	-	56,826	-	(3,296,802)	4,539,133	-	65,895	37.69 %	15,917,592	1,825	120,258,610	None
WCHK	58,446	996,159	-	227,068	-	(426,253)	210,807	-	58,446	100.00 %	1,007,781	17	1,007,781	None
WHCQ	1,000	25,201	-	3,057	-	(137)	(2,503)	-	1,000	100.00 %	25,618	26	25,618	None
WCCZ	-	2,510,833	-	281	-	-	136,084	-	-	100.00 %	2,647,198	-	2,647,198	None
WEHK	16,426	(1,566)	-	-	-	(39)	(168)	-	16,426	100.00 %	(1,773)	(3)	(47,831)	None
AGI	1	12	-	-	-	-	(2)	-	1	0.01 %	10	10	10	None
WSSG	157,489	2,319,294	-	36,348	-	-	(2,950,037)	(1,657,376)	157,489	100.00 %	(2,251,771)	(4)	(594,395)	None
WDH	205,056	2,151,214	-	215,390	-	(92,674)	15,762	-	205,056	100.00 %	2,289,692	11	2,289,692	None
WMH	280,000	1,899,963	-	87,434	-	(87,422)	(403,607)	-	280,000	100.00 %	1,496,368	5	1,496,368	None
WSCQ	-	418,451	-	203	-	-	11,661	-	-	100.00 %	430,315	-	430,315	None
WTS	35	18,770	-	1	-	-	1,104	-	35	100.00 %	19,875	568	19,875	None
WIMX	133,410	1,134,354	771,942	1,418,035	-	(34,717)	53,197	-	905,352	100.00 %	2,570,869	-	2,570,869	None
WVN	-	1,340,224	-	1,437,584	-	(53,633)	21,424	-	-	100.00 %	2,745,599	-	2,745,599	None
WSCZ	-	671,371	-	11,579	-	-	22,491	-	-	100.00 %	705,441	-	705,441	None
WIS	17,888	258,594	11,586	181,320	-	(10,316)	(33,653)	-	29,474	75.42 %	395,945	12	353,141	None
WCA	170,000	1,697,225	100,000	1,000,000	-	-	6,433	-	270,000	100.00 %	2,703,658	10	2,703,658	None
WGEH	28,000	279,563	-	530	-	-	(18,072)	-	28,000	100.00 %	262,021	9	262,021	None
HCL	-	69,848	-	-	-	(37,096)	(566)	-	-	30.00 %	32,186	-	32,186	None
WNC	89,675	4,598,489	6,414	2,585,218	-	(1,661,108)	824,454	-	96,089	19.92 %	6,347,053	156	14,989,891	None
TPE	4,711	104,576	283	19,092	-	(8,337)	(79,183)	-	4,994	9.99 %	36,148	34	172,032	None
ISGTC	5	-	-	-	-	-	-	-	5	40.00 %	-	-	-	None
ISGTG	5	-	-	-	-	-	-	-	5	40.00 %	-	-	-	None
Formosa Prosonic Industries Berhad	69,260	769,488	-	-	-	(142,742)	172,355	-	69,260	27.14 %	799,101	19	1,329,713	None
JLH	20,261	34,129	-	26,926	-	-	8,197	-	20,261	29.65 %	69,252	3	69,252	None
NICE Licensing LLC	-	3,992	-	4,545	-	(213)	(3,792)	-	-	20.00 %	4,532	-	4,532	None
Pell	3,000	215,830	2,150	231,632	-	-	(29,900)	-	5,150	9.55 %	417,562	22	112,035	None
Mobility Technology Group Inc.	-	-	9,000	272,700	-	(17,858)	(6,821)	-	9,000	31.25 %	248,021	16	143,302	None
The effect of adjustments on intercompany lease transactions	-	8,919	-	-	-	-	23,475	-	-	-	32,394	-	-	None
Deferred credits	-	(1,799,280)	-	-	-	(813,511)	1,137	-	-	-	(2,611,654)	-	-	None
Total		$ 103,485,451		10,537,029		(7,773,665)	8,448,495	(1,657,376)			113,039,934			

Wistron Corporation

Statement of Short-Term Loans

December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Item	Bank	Period	Interest Rate	Loan Commitments	Collateral	Amount
Credit loan	Citi Bank	2023/12/8~2024/1/8	6.10%	$ 3,073,830	None	$ 1,782,630 (Note)
Credit loan	DBS Bank	2023/12/22~2024/1/26	1.80%~6.24%	6,454,350	None	1,822,495
Credit loan	Oversea Chinese Banking Corporation	2023/11/10~2024/2/6	1.83%	3,073,500	None	2,700,000
Credit loan	J.P. Morgan Private Bank	2023/11/9~2024/2/5	1.69%	583,965	None	500,000
Credit loan	Sumitomo Mistsui Bank	2023/12/13~2024/1/11	6.23%~6.26%	6,147,000	None	6,142,271
Credit loan	China Construction Bank	2023/12/6~2024/1/5	6.12%	3,073,500	None	3,073,500
Credit loan	Mega Bank	2023/12/11~2024/1/19	5.95%	6,147,000	None	5,895,667
Credit loan	Bank SinoPac	2023/12/18~2024/2/6	1.85%	4,200,000	None	600,000
Credit loan	Taipei Fubon Commercial Bank	2023/12/15~2024/1/22	1.83%~6.17%	3,766,150	None	1,306,905
Credit loan	Yuanta Bank	2023/12/13~2024/1/11	1.72%	3,000,000	None	3,000,000
Credit loan	Taishin Bank	2023/12/20~2024/3/26	1.79%~6.05%	7,000,000	None	6,889,980
Credit loan	Taiwan Business Bank	2023/12/3~2024/1/3	1.84%	3,500,000	None	2,100,000
Credit loan	Bank SinoPac	2023/12/15~2024/1/8	1.80%	1,200,000	None	600,000
Credit loan	BBVA Taiwan	2023/10/6~2024/1/16	1.80%~1.84%	4,610,250	None	3,110,000
Credit loan	Metro Bank	2023/12/18~2024/2/22	1.79%	2,305,125	None	2,200,000
Credit loan	Taiwan Cooperative Bank	2023/12/11~2024/1/11	1.75%	4,500,000	None	2,100,000
Credit loan	Agricultural Bank of Taiwan	2023/12/13~2024/1/12	6.17%	1,550,000	None	1,413,810
Credit loan	Bank of Taiwan	2023/12/7~2024/1/6	6.23%	4,500,000	None	4,301,090
Credit loan	Firt Commercial Bank	2023/12/8~2024/1/8	6.23%	6,000,000	None	4,701,144
Credit loan	Hua Nan Commercial Bank	2023/12/4~2024/1/5	6.20%	7,000,000	None	1,801,071
Credit loan	Land Bank of Taiwan	2023/12/20~2024/3/19	6.27%	3,500,000	None	2,612,630
Credit loan	The Shanghai Commrcial & Saving Bank, Ltd.	2023/12/26~2024/1/25	6.00%	2,151,450	None	2,151,450
Credit loan	Shin Kong Bank	2023/12/14~2024/1/15	6.20%	1,536,750	None	1,535,631
Credit loan	United Overseas Bank	2023/12/21~2024/1/23	6.21%	3,995,550	None	3,927,929
Total						$ 66,268,203

(Note) The loan commitments represented a comprehensive line of credit; however, the actual borrowing amount was converted into current exchange at the date of withdrawal.

Wistron Corporation

Statement of Note and Trade Payables

December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Item	Amount
Vendor J	$ 18,773,128
Vendor D	7,747,499
Vendor I	6,548,866
Others (less than 5%)	14,672,776
Total	$ 47,742,269

Statement of Other Current Liabilities

Item	Amount
Accrued salary and bonus (including remuneration of employees and directors)	$ 8,105,370
Provision of valuation of inventories for suppliers	3,060,366
Deferred revenue	11,522,691
Others (less than 5%)	5,631,177
Total	$ 28,319,604

Wistron Corporation

Statement of Long-Term Loans

December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Bank	Period	Interest Rate	Loan Commitments	Collateral	Amount: Current Amount Expired within one year	Amount
Fubon Commercial Bank and other 14 financial institutions	2023/5/26~2026/5/26	2.02%	$ 15,367,500	None	$ -	9,800,000
Mega Bank and other 8 financial institutions	2021/3/10~2026/3/10	6.86%	11,064,600	None	599,333	6,039,427
BNP Bank	2022/11/11~2024/7/31	4.69%	2,458,800	None	115,565	-
Low-interest Loan (Mega Bank and other 5 financial institutions)	2022/1/17~2032/1/15	1.22%~1.49%	8,642,622	None	-	1,787,160
Less: Arrangement fees			-		(562)	(21,250)
					$ 714,336	17,605,337

Wistron Corporation

Statement of Lease Liabilities

December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Leasing term	Discount Rate(%)	Ending Balance
Land	For factory and office use	3~40 years	1.48%~2.58%	$ 904,772
Buildings and Construction	For office use	1~10 years	1.35%~2.26%	849,177
Office Equipment	For operating use	1~5 years	1.48%~2.07%	44,170
Transportation Equipment	For operating use	1~5 years	1.35%~2.07%	27,120
Other Equipment	For operating use	3~5 years	1.59%~2.16%	13,746
Subtotal				1,838,985
Less：Current Portion				(363,391)
Lease Liabilities-Non-Current				$ 1,475,594

Statement of Other Non-Current Liabilities

Item	Amount
Net defined benefit liabilities	$ 462,167
Guarantee deposits	958,309
Others (less than 5%)	71,758
Total	$ 1,492,234

Wistron Corporation

Statement of Cost of Sales

For the year ended December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Item	Amount
Raw materials	
Beginning balance of raw materials	$ 14,349,646
Add: Purchases	584,796,598
Less: Ending balance of raw materials	(11,344,061)
Reclassified to other accounts	(61,617)
Raw materials used	587,740,566
Direct labor	1,467,428
Manufacturing overhead	4,416,593
Total manufacturing cost	593,624,587
Add: Beginning balance of work-in-process inventory	743,793
Less: Ending balance of work-in-process inventory	(1,010,700)
Reclassified to other accounts	(48,022)
Cost of finished goods	593,309,658
Add: Beginning balance of finished goods	23,070,296
Less: Ending balance of finished goods	(17,517,478)
Reclassified to other accounts	(107,807)
Subtotal	598,754,669
Add: Software royalty fees	417,528
Loss on valuation of inventories	2,414,865
Loss on supplier inventory reserve	684,170
Less: Income from sale of scraps	(18,490)
Total cost of sales	**$ 602,252,742**

Wistron Corporation

Statement of Operating Expenses

For the year ended December 31, 2023

(Expressed in thousands of New Taiwan Dollars)

Item	Selling Expenses	Administrative Expenses	Research and Development Expenses
Salary and related expenses	$ 1,237,669	2,314,503	11,076,714
Postage expenses	1,310	329,640	14,902
Freight	675,324	457	27,380
Insurance fees	264,252	7,876	527
Professional service fees	38,794	874,264	252,921
Import and export expenses	285,339	-	2
Welfare funds	321,112	-	-
Inspection and testing expenses	2,473	1,033	937,561
Sundry purchase	37,378	36,609	1,662,725
Others (less than 5%)	385,886	895,084	2,190,820
Total	**$ 3,249,537**	**4,459,466**	**16,163,552**

Wistron Corporation

Others

December 31, 2023

Item	Description
Statement of financial assets measured at amortized cost-current	Disclosure in Note 6(c)
Statements of trade receivables-related parties and other receivables-related parties	Disclosure in Note 7
Statement of other current assets and other assets	Disclosure in Note 6(l)
Statement of movement of property, plant and equipment	Disclosure in Note 6(i)
Statement of right-of-use assets	Disclosure in Note 6(j)
Statement of movement of intangible assets	Disclosure in Note 6(k)
Statement of movement of investment property	Disclosure in Note 6(l)
Statement of deferred tax assets and liabilities	Disclosure in Note 6(q)
Statements of trade payables-related parties and other payables-related parties	Disclosure in Note 7
Statement of contract liabilities and refund liability	Disclosure in Note 6(u)
Statement of the operating revenue	Disclosure in Note 6(u)
Statement of the interest income	Disclosure in Note 6(v)
Statement of the other income	Disclosure in Note 6(v)
Statement of the other gain and loss	Disclosure in Note 6(v)
Statement of the financial costs	Disclosure in Note 6(v)

WISTRON CORPORATION

Notes to the Parent-Copmany-Only Financial Statements

Table 1 Financing to other parties
(December 31, 2023)

(TWD : expressed in thousands)

No.	Creditor	Borrower	Financial statement account	Related party	Maximum outstanding balance for the period	Ending balance	Actual amount drawn down	Interest Rate	Nature of financing (Note 2)	Amount of transaction	Reasons for short-term financing	Allowance for doubtful accounts	Collateral		Limit on financing granted to each borrower	Ceiling on total financing granted	Notes
													Item	Value			
0	The Company	KOE	Other receivables	Yes	2,700,000	1,500,000	1,200,000	2.00%	2	-	Operating Capital	-	-	-	10,422,411	52,112,055	(Note 1, Note 3 and Note 4)

(Note 1) The total amount available for financing purposes shall not exceed 50% of the Company's audited or reviewed net worth; and the total amount for short-term financing shall not exceed 40% of the Company's audited or reviewed net worth.
(Note 2) Nature of financing:
1 For entities that the Company has business with.
2 For entities with short-term financing needs.
(Note 3) The limit on financing granted of the entities that the Company has business with:
(1) For entities in which the Company, directly or indirectly, owned more than 50% of their shares, the amount available for financing shall not exceed 10% of net worth of the Company.
(2) For entities in which the Company, directly or indirectly, owned below 50% of their shares, the amount available for financing shall not exceed 40% and 5% of net worth of the borrower and the Company, respectively.
(3) For other borrowers, the amount available for financing shall not exceed 25% of net worth of the borrower and 5% of net worth of the Company.
(Note 4) For entities with short-term financing needs, the amount available for financing shall not exceed 10% of net worth of the Company.

WISTRON CORPORATION

Notes to the Parent-Company-Only Financial Statements

Table 2 Guarantees and endorsements for other parties
(December 31, 2023)

(TWD : expressed in thousands)

No.	Endorser / Guarantor	Party being endorsed/guaranteed: Name	Party being endorsed/guaranteed: Relationship with the company (Note 8)	Limits on endorsements/ guarantees provided to each entity (Note 2) and (Note 4)	Maximum outstanding balance for the period	Ending balance	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee to net asset value of the endorser / guarantor	Ceiling on total amount of endorsements / guarantees provided (Note 1) and (Note 3)	Endorsement / guarantees provided by parent company	Endorsement / guarantees provided by a subsidiary	Endorsement / guarantees provided to the party in Mainland China
0	The Company	WJP	2	31,267,233	816,960	542,250	542,250	-	0.52%	104,224,111	Y	N	N
0	The Company	Cowin (Note 5)	2	31,267,233	32,419	30,735	30,735	-	0.03%	104,224,111	Y	N	N
0	The Company	WZS shared with WAKS (Note 5)	2	31,267,233	64,838	61,470	61,470	-	0.06%	104,224,111	Y	N	Y
0	The Company	WCCZ	2	31,267,233	503,088	492,512	492,512	-	0.47%	104,224,111	Y	N	N
0	The Company	WBR	2	31,267,233	907,732	860,580	860,580	-	0.83%	104,224,111	Y	N	N
0	The Company	WIN	2	31,267,233	2,188,283	2,074,613	1,767,263	-	1.99%	104,224,111	Y	N	N
0	The Company	WSSG	2	31,267,233	8,422,760	6,269,940	6,269,940	-	6.02%	104,224,111	Y	N	N
0	The Company	WTX	2	31,267,233	2,102,364	1,413,810	1,413,810	-	1.36%	104,224,111	Y	N	N
0	The Company	WGTX	2	31,267,233	826,685	768,375	614,700	-	0.74%	104,224,111	Y	N	N
0	The Company	WTZ	2	31,267,233	3,602,748	1,488,858	1,488,858	-	1.43%	104,224,111	Y	N	Y
0	The Company	WSMX	2	31,267,233	648,380	614,700	614,700	-	0.59%	104,224,111	Y	N	N
0	The Company	WGKS	2	31,267,233	194,514	184,410	184,410	-	0.18%	104,224,111	Y	N	Y
0	The Company	WCCZ shared with WSCZ	2	31,267,233	1,653,369	1,567,485	1,567,485	-	1.50%	104,224,111	Y	N	N
0	The Company	WMKS shared with WTZ and WGKS	2	31,267,233	614,800	-	-	-	-	104,224,111	Y	N	Y
0	The Company	WTR	2	31,267,233	32,419	30,735	30,735	-	0.03%	104,224,111	Y	N	N
0	The Company	WCH	2	31,267,233	38,458	-	-	-	-	104,224,111	Y	N	N
0	The Company	AGI	2	31,267,233	872,000	872,000	472,000	-	0.84%	104,224,111	Y	N	N
0	The Company	WSCQ	2	31,267,233	3,154,522	2,637,906	2,023,206	-	2.53%	104,224,111	Y	N	Y
0	The Company	WCHQ	2	31,267,233	185,000	185,000	135,000	-	0.18%	104,224,111	Y	N	N
0	The Company	WSCQ shared with WMCQ	2	31,267,233	486,285	461,025	461,025	-	0.44%	104,224,111	Y	N	Y
0	The Company	WMMI shared with WIN	2	31,267,233	1,936,080	1,536,750	614,700	-	1.47%	104,224,111	Y	N	N
0	The Company	WLB	2	31,267,233	400,000	200,000	200,000	-	0.19%	104,224,111	Y	N	N
0	The Company	WCL	2	31,267,233	1,200,000	600,000	600,000	-	0.58%	104,224,111	Y	N	N
0	The Company	WMMI	2	31,267,233	7,294,833	6,916,695	5,440,095	-	6.64%	104,224,111	Y	N	N
0	The Company	WMMY	2	31,267,233	9,114,700	5,071,275	4,241,430	-	4.87%	104,224,111	Y	N	N
0	The Company	WITT	2	31,267,233	1,068,620	891,315	891,315	-	0.86%	104,224,111	Y	N	N
0	The Company	WETW	2	31,267,233	175,000	175,000	175,000	-	0.17%	104,224,111	Y	N	N
0	The Company	WVN	2	31,267,233	9,005,355	9,005,355	4,149,225	-	8.64%	104,224,111	Y	N	N
0	The Company	WIMX	2	31,267,233	6,483,800	6,147,000	4,917,600	-	5.90%	104,224,111	Y	N	N
0	The Company	WIS	2	31,267,233	145,886	138,308	138,308	-	0.13%	104,224,111	Y	N	N
0	The Company	XTRKS	2	31,267,233	2,935,274	2,651,069	1,137,195	-	2.54%	104,224,111	Y	N	Y
0	The Company	WSPH shared with WCCZ, WMX , WITX , WSSG and WMMY(Note 6)	2	31,267,233	1,406,700	1,383,075	756,081	-	1.33%	104,224,111	Y	N	N
0	The Company	WAKS shared with WZS, WCD and WCQ(Note 6)	2	31,267,233	937,800	922,050	504,054	-	0.88%	104,224,111	Y	N	Y

WISTRON CORPORATION

Notes to the Parent-Company-Only Financial Statements

(Note 1) The total amount for guarantees and endorsements provided by the Company to other entities shall not exceed the Company's audited or reviewed net worth.
(Note 2) The amount for guarantees and endorsements provided by the Company to any individual entity shall not exceed 30% of the Company's audited or reviewed net worth.
(Note 3) The total amount for guarantees and endorsements provided by the Company and its subsidiaries to other entities shall not exceed the Company's audited or reviewed net worth.
(Note 4) The amount for guarantees and endorsements provided by the Company and its subsidiaries to any individual entity shall not exceed 30% of the Company's audited or reviewed net worth.
(Note 5) The credit line shared by Cowin, WZS and WAKS amounted to USD3,000,000.
(Note 6) The credit line shared by WSPH, WCCZ, WMX, WITX, WSSG, WMMY, WAKS, WZS, WCD and WCQ amounted to USD75,000,000.
(Note 7) Since the Board of Directors of the Company approved the quota to be renewed in advance, a total of TWD922,050 is a double-counted quota.
(Note 8) Relationship with the Company:

1. An entity with which the guarantor did business.
2. An entity in which the guarantor directly and indirectly owned more than 50% of the voting shares.
3. An entity that directly and indirectly owned more than 50% of the voting shares in the guarantor.
4. The entities in which the guarantor owned, directly or indirectly, 90% or more of the voting shares.
5. Fulfillment of contractual obligations by providing mutual endorsements and guarantees for peer or joint builders in order to undertake a construction project.
6. An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
7. The entities in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

WISTRON CORPORATION

Notes to the Parent-Company-Only Financial Statements

Table 3 Market Securities Held (excluding investment in subsidiaries, associates and joint ventures)
(December 31, 2023)

(TWD : expressed in thousands)

Securities held by	Category and name of securities		Relationship	Financial statement account	December 31, 2023				Highest percentage of shares during the period	Note
					Number of shares	Book value	Percentage of Ownership	Fair Value		
The Company	Super Dragon Technology Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	5,676	138,495	5.50%	138,495	5.50%	-
The Company	Global Lighting Technologies Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	20,914	1,091,734	16.23%	1,091,734	16.23%	-
The Company	ARBOR Technology Corp.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,679	223,169	4.90%	223,169	5.00%	-
The Company	AOpen Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	326	20,807	0.46%	20,807	2.10%	-
The Company	FineMat Applied Materials Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,589	141,578	6.91%	141,578	6.91%	-
The Company	Clientron Corp.	Stock	-	Non-current financial assets at fair value through other comprehensive income	917	14,210	1.44%	14,210	1.44%	-
The Company	Plexbio Corporation, LTD	Stock	-	Non-current financial assets at fair value through other comprehensive income	1,227	17,306	1.18%	17,306	1.18%	-
The Company	Howe advanced Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,000	-	13.91%	-	13.91%	-
The Company	ABC-KY	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,075	52,497	2.54%	52,497	2.54%	-
The Company	Lilee Systems, Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	3,528	-	29.51%	-	29.51%	-
The Company	Zeo, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	779	-	6.57%	-	6.57%	-
The Company	Janus Technologies, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	864	-	4.01%	-	4.01%	-
The Company	Vmedia Research	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,000	-	7.69%	-	7.69%	-
The Company	Tube Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	17,009	105,080	18.19%	105,080	20.73%	-
The Company	Tactus Technology Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	7	-	0.06%	-	0.06%	-
The Company	Videri Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	226	4,785	2.33%	4,785	3.17%	-
The Company	Scenera, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	645	-	5.21%	-	11.42%	-
The Company	Marvell Technology, Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	87	159,940	0.01%	159,940	0.01%	-
The Company	Master Transportation Bus Manufactoring Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	2,375	151,323	5.46%	151,323	5.52%	-
The Company	AVIZ Networks Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	3,781	-	6.65%	-	6.72%	-
The Company	EV Motors Japan Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	-	53,038	1.99%	53,038	2.31%	-
The Company	Alchip Technologies, Limited	Stock	-	Non-current financial assets at fair value through other comprehensive income	690	1,528,350	0.93%	1,528,350	0.94%	-
The Company	Princeton Nuenergy Inc.	Stock	-	Non-current financial assets at fair value through other comprehensive income	232	84,950	11.30%	84,950	11.30%	-
The Company	IP Fund Six Co., Ltd.	Stock	-	Non-current financial assets at fair value through other comprehensive income	4,634	52,223	10.71%	52,223	10.72%	-
The Company	Corsa Fund 2012, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	15,956	17.96%	15,956	20.00%	-
The Company	Jafco AT Fund VI L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	52,517	6.67%	52,517	6.67%	-
The Company	Fenox Venture Company XIV, L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	-	99.00%	-	99.00%	-
The Company	Vertex V (C.I.) Fund L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	281,404	2.57%	281,404	2.57%	-
The Company	China Renewable Energy Fund, LP	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	671,333	9.01%	671,333	9.01%	-
The Company	JAFCO Taiwan I Venture Capital L.P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	127,525	4.99%	127,525	4.99%	-
The Company	JAFCO Taiwan II Venture Capital L. P.	Fund	-	Non-current financial assets at fair value through other comprehensive income	-	36,167	4.81%	36,167	9.21%	-
The Company	AVIZ Networks Inc.	Bond	-	Non-current financial assets at fair value through profit or loss	-	47,794	-	47,794	-	-

WISTRON CORPORATION

Notes to the Parent-Company-Only Financial Statements

Table 4 Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Securities held by	Category and name of securities		Financial statement account	Counter - party	Relationship with the investor	Beginning balance		Addition		Disposal				Ending balance	
						Shares/ Units	Amount	Shares/ Units	Amount	Shares/ Units	Amount	Book value	Gain/Loss on Disposal	Shares/ Units	Amount
The Company	WLLC	Stock	Equity-accounted investees	(Note 1)	subsidiary	8,936	3,599,681	2,000	601,200	-	-	-	-	10,936	4,287,709
The Company	WSPH	Stock	Equity-accounted investees	(Note 1)	subsidiary	139,567	26,652	825,000	466,637	-	-	-	-	964,567	499,552
The Company	WIMX	Stock	Equity-accounted investees	(Note 1)	subsidiary	133,410	1,134,354	771,942	1,418,035	-	-	-	-	905,352	2,570,869
The Company	WVN	Stock	Equity-accounted investees	(Note 1)	subsidiary	-	1,340,224	-	1,437,584	-	-	-	-	-	2,745,599
The Company	WCA	Stock	Equity-accounted investees	(Note 1)	subsidiary	170,000	1,697,225	100,000	1,000,000	-	-	-	-	270,000	2,703,658
The Company	WNC	Stock	Equity-accounted investees	(Note 1)	-	89,675	4,598,489	6,414	679,922	-	-	-	-	96,089	6,347,053
The Company	Alchip Technologies, Limited	Stock	Non-current financial assets at fair value through other comprehensive income	-	-	-	-	690	999,120	-	-	-	-	690	1,528,350
The Company	Alpha Networks Inc.	Stock	Non-current financial assets at fair value through other comprehensive income	-	-	19,328	545,044	-	-	19,328	752,575	670,662	81,912	-	-

(Note 1) The entity issued ordinary shares for cash.

WISTRON CORPORATION
Notes to the Parent-Company-Only Financial Statements

Table 5 Acquisition of real estate with amount exceeding the lower of NT$300 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Company name	Type of property	Transaction Date	Transaction Amount	Payment Term	Counter-party	Relationships	Prior Transaction of Related Counter-party				Price Reference	Purpose of Acquisition	Other Terms
							Owner	Relationships	Transfer Date	Amount			
The Company	Zhubei International AI Smart Park	2021/3/23	6,700,000	payment:49%	Li Jin Engineering Co., Ltd., Ingenious Engineering Corp., Huan Mei International Co., Ltd. etc.	-	-	-	-	-	Not applicable because of engaging others to build on its lease land	For future operation	-

(Note): The current transaction amount is based on the estimated price of the capital budget approved by the Board of Directors. However, the actual amount will be based on the price stated in the agreement.

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Notes to the Parent-Company-Only Financial Statements

Table 6 Total purchases from or sales to related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Purchaser/Seller	Related Party	Relationship	Transaction				Differences in transaction terms compared to third party transactions		Note and trade receivables (payables)	
			Purchase/Sales	Amount	Percentage of total purchases / sales	Credit term	Unit price	Payment Terms	Balance	Percentage of total note and trade receivables (payables)
The Company	WJP	Subsidiary	Sales	1,631,530	0.26%	OA90	-	-	730,630	0.31%
The Company	WTX	Subsidiary	Sales	2,564,073	0.40%	OA90	-	-	1,312,149	0.55%
The Company	WMKS	Subsidiary	Sales	780,338	0.12%	OA90	-	-	448,236	0.19%
The Company	WZS	Subsidiary	Sales	1,401,869	0.22%	OA90	-	-	10,585,516	4.43%
The Company	WITX	Subsidiary	Sales	39,289,631	6.19%	OA150	-	-	25,576,530	10.70%
The Company	WSCZ	Subsidiary	Sales	1,628,942	0.26%	OA90	-	-	461,447	0.19%
The Company	WSSG	Subsidiary	Sales	1,012,099	0.16%	OA90	-	-	436,582	0.18%
The Company	WMT	Subsidiary	Sales	413,172	0.07%	OA90	-	-	161,098	0.07%
The Company	WIS	Subsidiary	Sales	1,031,545	0.16%	OA60	-	-	359,109	0.15%
The Company	WMMY	Subsidiary	Sales	17,100,949	2.69%	OA90	-	-	30,934,648	12.94%
The Company	WMMI	Subsidiary	Sales	3,024,571	0.48%	OA180	-	-	23,903,919	10.00%
The Company	KOE	Subsidiary	Sales	236,353	0.04%	OA60	-	-	148,511	0.06%
The Company	WYHQ	Subsidiary	Sales	48,360,043	7.61%	OA45	-	-	5,091,912	2.13%
The Company	WYUS	Subsidiary	Sales	492,565	0.08%	OA45	-	-	121,286	0.05%
The Company	WYHK	Subsidiary	Sales	215,653	0.03%	OA45	-	-	33,141	0.01%
The Company	WTX	Subsidiary	Purchase	190,788	0.03%	OA60	-	-	(47,893)	0.03%
The Company	WZS	Subsidiary	Purchase	107,395,745	18.44%	OA90	-	-	(31,651,405)	17.37%
The Company	WITX	Subsidiary	Purchase	817,184	0.14%	OA90	-	-	(713)	-
The Company	WAKS	Subsidiary	Purchase	9,169,979	1.57%	OA90	-	-	(3,382,469)	1.86%
The Company	WSKS	Subsidiary	Purchase	4,966,446	0.85%	OA60	-	-	(787,089)	0.43%
The Company	WCQ	Subsidiary	Purchase	116,087,014	19.94%	OA90	-	-	(37,910,792)	20.81%
The Company	WCD	Subsidiary	Purchase	161,975,170	27.82%	OA90	-	-	(26,522,972)	14.56%
The Company	WSCZ	Subsidiary	Purchase	179,621	0.03%	OA60	-	-	(29,963)	0.02%
The Company	WSCQ	Subsidiary	Purchase	9,685,046	1.66%	OA60	-	-	(1,074,536)	0.59%
The Company	FPI	Associate	Purchase	287,552	0.05%	OA50	-	-	(33,456)	0.02%

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Notes to the Parent-Company-Only Financial Statements

Table 6 Total purchases from or sales to related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Purchaser/Seller	Related Party	Relationship	Transaction				Differences in transaction terms compared to third party transactions		Note and trade receivables (payables)	
			Purchase/Sales	Amount	Percentage of total purchases / sales	Credit term	Unit price	Payment Terms	Balance	Percentage of total note and trade receivables (payables)
The Company	WSSG	Subsidiary	Purchase	151,990	0.03%	OA60	-	-	(1,246)	-
The Company	WSPH	Subsidiary	Purchase	653,854	0.11%	OA30	-	-	(51,545)	0.03%
The Company	WMMY	Subsidiary	Purchase	43,702,317	7.51%	OA90	-	-	(22,913,849)	12.58%
The Company	WMMI	Subsidiary	Purchase	51,515,360	8.85%	OA45	-	-	(5,793,769)	3.18%
The Company	WOOK	Subsidiary	Purchase	9,100,757	1.56%	OA90	-	-	(2,532,512)	1.39%
The Company	WCCD	Subsidiary	Purchase	1,297,727	0.22%	OA90	-	-	(580,324)	0.32%
The Company	WYHQ	Subsidiary	Purchase	1,715,929	0.29%	OA45	-	-	(846,130)	0.46%
The Company	WYUS	Subsidiary	Purchase	2,359,397	0.41%	OA90	-	-	(5,088)	-

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Notes to the Parent-Company-Only Financial Statements

Table 7 Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of share capital
(December 31, 2023)

(TWD : expressed in thousands)

Company Name	Related Party	Relationship	Balance of receivables from related party	Turnover rate	Overdue receivables		Amounts collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
The Company	WJP	Subsidiary	730,630	183.85%	309,766	Collecting	188,126	-
The Company	WTX	Subsidiary	1,312,149	211.01%	630,763	Collecting	214,096	-
The Company	WMKS	Subsidiary	448,236	246.16%	203,897	Collecting	86,638	-
The Company	WZS	Subsidiary	10,585,516	12.62%	-	-	4,999,284	-
The Company	WITX	Subsidiary	25,576,530	143.27%	10,138,076	Collecting	3,903,370	-
The Company	WCQ	Subsidiary	26,660,431	-	9,613,884	Collecting	12,117,531	-
The Company	WCD	Subsidiary	26,924,878	-	3,946,130	Collecting	15,859,260	-
The Company	WSCZ	Subsidiary	461,447	408.70%	-	-	121,117	-
The Company	WSSG	Subsidiary	436,582	279.85%	96,893	Collecting	97,050	-
The Company	WMT	Subsidiary	161,098	294.26%	94	Collecting	35,768	-
The Company	WIS	Subsidiary	359,109	419.53%	-	-	151,178	-
The Company	WMMY	Subsidiary	30,934,648	102.83%	12,010,945	Collecting	5,613,380	-
The Company	WMMI	Subsidiary	23,903,919	11.18%	893,260	Collecting	3,753,186	-
The Company	WOOK	Subsidiary	938,621	-	-	-	614,901	-
The Company	KOE	Subsidiary	148,511	193.39%	-	-	80,467	-
The Company	WYHQ	Subsidiary	5,091,912	617.69%	344	Collecting	2,557,904	-
The Company	WYUS	Subsidiary	121,286	601.51%	526	Collecting	-	-
Other receivables								
The Company	KOE	Subsidiary	1,201,237	-	-	-	-	-
The Company	WMMI	Subsidiary	240,390	-	48,459	Collecting	-	-

WISTRON CORPORATION

Notes to the Parent-Company-Only Financial Statements

Table 8 Information on investees (excluding investees in Mainland China)
(December 31, 2023)

(TWD : expressed in thousands)

Name of the investor	Name of investee	Location	Major operations	Initial investment amount		Ending balance			Highest percentage of shares during the period	Net income (losses) of the investee	Investment income (losses)	Notes
				Ending balance	Beginning balance	Shares	Shareholding	Book value				
The Company	WMX	Mexico	Server and consumer electronics product manufacturing	1,354,618	1,354,618	160,044	100.00%	2,418,990	100.00%	173,945	173,945	-
The Company	WTX	U.S.A.	Sales and maintenance service center in Northern America	386,196	386,196	4,833	100.00%	2,135,417	100.00%	127,143	127,143	-
The Company	AIIH	B.V.I.	Investment and holding	8,565,419	8,717,358	432,486	100.00%	7,808,450	100.00%	186,112	186,112	-
The Company	COWIN	B.V.I.	Investment and holding	6,753,222	6,759,300	213,694	100.00%	17,561,318	100.00%	969,145	969,145	-
The Company	Win Smart	B.V.I.	Investment and holding	2,611,286	2,611,286	44,565	100.00%	23,206,948	100.00%	2,109,043	2,109,043	-
The Company	WCL	Taiwan	Investment consultant and business management consultant	4,312,000	4,312,000	-	100.00%	10,375,104	100.00%	1,104,066	1,104,066	-
The Company	ISL	Taiwan	Safety and EMI testing	14,603	14,603	2,434	100.00%	143,641	100.00%	45,084	45,084	-
The Company	WSPH	Philippines	Sales and maintenance service center in Asia	3,319,705	2,853,068	964,567	100.00%	499,552	100.00%	12,023	12,023	-
The Company	WLLC	U.S.A.	Investment and holding	3,273,026	2,671,826	10,936	100.00%	4,287,709	100.00%	71,171	71,171	-
The Company	WVS	B.V.I.	Investment and holding	314,273	314,273	9,150	100.00%	942,468	100.00%	78,285	78,285	-
The Company	WBR	Brazil	Sales and maintenance service center	623,794	623,794	37,243	99.99%	769,147	99.99%	105,980	105,980	-
The Company	WTR	Turkey	Sales and maintenance service center	46,650	46,650	22	99.90%	69,855	99.90%	24,054	24,054	-
The Company	WGTX	U.S.A.	Recycling service of information technology products	859,795	859,795	13	100.00%	41,583	100.00%	(74,969)	(74,969)	-
The Company	WMMY	Malaysia	Consumer electronic product manufacturing	2,095,629	2,095,629	267,425	100.00%	6,625,536	100.00%	981,046	981,046	-
The Company	WSMX	Mexico	Sales and maintenance service center	89,134	89,134	36,429	100.00%	(184,817)	100.00%	13,737	13,737	-
The Company	WYHQ	Taiwan	Research and development, sales and service of information products	1,498,350	1,498,350	65,895	37.69%	15,917,592	37.69%	12,043,655	4,539,133	-
The Company	WCHK	Hong Kong	Investment and holding	225,494	225,494	58,446	100.00%	1,007,781	100.00%	210,807	210,807	-
The Company	WCHQ	Taiwan	Sales and maintenance of computer products and electronic information products	10,000	10,000	1,000	100.00%	25,618	100.00%	(2,503)	(2,503)	-
The Company	WCCZ	Czech Rep.	Electronic product manufacturing	121,527	121,527	-	100.00%	2,647,198	100.00%	136,084	136,084	-
The Company	WEHK	Hong Kong	Investment and holding	397,542	397,542	16,426	100.00%	(1,773)	100.00%	(168)	(168)	-
The Company	AGI	Taiwan	Cloud software solution integrator	2,570	2,570	1	0.01%	10	0.01%	(49,484)	(2)	-
The Company	WSSG	Singapore	Sales and maintenance service center	4,797,805	4,797,805	157,489	100.00%	(594,395)	100.00%	(2,950,037)	(2,950,037)	-
The Company	WDH	Taiwan	Investment and holding	1,800,000	1,800,000	205,056	100.00%	2,289,692	100.00%	15,762	15,762	-
The Company	WMH	Taiwan	Investment and holding	2,800,000	2,800,000	280,000	100.00%	1,496,368	100.00%	(403,607)	(403,607)	-
The Company	WTS	U.S.A.	Sales development and customer service	10,348	10,348	35	100.00%	19,875	100.00%	1,104	1,104	-
The Company	WIMX	Mexico	Real property rental and management	2,328,429	910,394	905,352	100.00%	2,570,869	100.00%	53,197	53,197	-
The Company	WVN	Vietnam	Assembly and sales of Notebook and LCD monitor	2,783,871	1,346,288	-	100.00%	2,745,599	100.00%	21,424	21,424	-
The Company	WSCZ	Czech Rep.	Sales and maintenance service center	282,833	282,833	-	100.00%	705,441	100.00%	22,491	22,491	-
The Company	WIS	Taiwan	Research and development, sales and service of network communication products	391,349	214,656	29,474	75.42%	395,945	75.42%	(52,811)	(33,653)	-
The Company	WCA	Taiwan	Real property rental and management	2,700,000	1,700,000	270,000	100.00%	2,703,658	100.00%	6,433	6,433	-
The Company	WGEH	Taiwan	Investment and holding	280,000	280,000	28,000	100.00%	262,021	100.00%	(18,072)	(18,072)	-
The Company	HCL	B.V.I.	Investment and holding	60,583	96,045	-	30.00%	32,186	30.00%	(1,909)	(566)	-
The Company	WNC	Taiwan	Manufacturing and sales of wireless receiver products	1,265,409	585,487	96,089	19.92%	6,347,053	22.66%	3,802,830	824,453	-
The Company	TPE	Taiwan	Wholesale and retail of electronic materials	26,088	26,088	4,994	9.99%	36,148	12.82%	(611,653)	(79,184)	-
The Company	Formosa Prosonic Industries Berhad	Malaysia	Manufacturing of audio and hooter	513,565	513,565	69,260	27.14%	799,101	27.16%	581,073	172,355	-
The Company	JLH	Taiwan	Sales of audio system of vehicles and components	578,889	578,889	20,261	29.65%	69,252	32.79%	25,981	8,197	-
The Company	NICE Licensing LLC	Japan	Promote NICE Standard	12,907	8,362	-	20.00%	4,532	23.14%	(18,445)	(3,792)	-
The Company	PELL	Taiwan	Biotechnology service	407,750	225,000	5,150	9.55%	417,562	9.68%	(399,534)	(29,900)	-
The Company	Mobility Technology Group Inc.	Cayman Island	Design, development and prototyping of automobile components	272,700	-	9,000	31.25%	248,021	32.14%	(25,046)	(6,820)	-
The Company	ISGTG	Seychelles	Research and development and sales of information technology products	160,025	160,025	5	40.00%	-	40.00%	-	-	-
The Company	ISGTC	Hong Kong	Research and development and sales of information technology products	160,000	160,000	5	40.00%	-	40.00%	-	-	-

WISTRON CORPORATION

Notes to the Parent-Company-Only Financial Statements

Table 9 Information on investment in Mainland China
1. Information on investment in Mainland China:

(TWD : expressed in thousands)

Investee in Mainland China	Main Businesses and Products	Total amounts of paid-in capital		Method of investment	Accumulated amounts of remittance from Taiwan as of January 1, 2023		Investment flows		Accumulated amounts of remittance from Taiwan as of December 31, 2023	Net income (loss) of the investee	Highest percentage of shares during the period	Direct / indirect shareholding by the Company	Investment income (losses) recognized by the Company		Carrying amount of the investment as of December 31, 2023	Accumulated inward remittance of earnings as of December 31, 2023	Note
							Outflow	Inflow									
Wistron InfoComm (Zhongshan) Corporation	Manufacturing and sales of information technology products	7,394,068	(Note 1)	(Note 27)2	7,394,179	(Note 1)	-	-	7,394,179	1,174,899	100.00%	100.00%	1,174,899	(Note 28)2	21,154,541	-	-
Wistron InfoComm (Shanghai) Corporation	Research, development, design, testing and sales of computers software	31,691	-	(Note 27)2	31,691	-	-	-	31,691	316	100.00%	100.00%	316	(Note 28)2	46,905	-	-
Wistron InfoComm Technology (Zhongshan) Co., Ltd.	Human resource services and sales of LCD monitor	67,510	-	(Note 27)2	67,510	-	-	-	67,510	78,484	100.00%	100.00%	78,484	(Note 28)2	940,773	-	-
Wistron InfoComm (Kunshan) Co., Ltd.	Manufacturing and sales of information technology products	1,085,212	(Note 2)	(Note 27)2	1,085,212	(Note 2)	-	-	1,085,212	24,429	100.00%	100.00%	24,429	(Note 28)2	10,395,662	-	-
Wistron Service (Kunshan) Corp.	Sales and maintenance service center in Asia	12,287	-	(Note 27)2	12,287	-	-	-	12,287	62,953	100.00%	100.00%	62,953	(Note 28)2	852,095	-	-
SMS (Kunshan) Co., Ltd	Sales and maintenance service center in Mainland China	806,230	-	(Note 27)2	806,230	-	-	-	806,230	90,453	100.00%	100.00%	90,453	(Note 28)2	2,077,845	-	-
Wistron InfoComm (Taizhou) Co., Ltd.	Manufacturing and sales of LCD monitor and touch display module	4,929,489	-	(Note 27)2	4,929,489	-	-	-	4,929,489	(456,782)	100.00%	100.00%	(456,782)	(Note 28)2	(6,010,926)	-	-
WIS PRECISION (KUNSHAN) CO., LTD.	Manufacturing and sales of computer shell and mold plastic	795,220	-	(Note 27)2	231,014	-	-	-	231,014	33,228	28.88%	28.88%	9,596	(Note 28)3	167,016	-	-
T-CONN PRECISION(Zhongshan) CORPORATION	Production of telecommunication equipment and coupling for special purpose	234,991	-	(Note 27)2	85,873	(Note 3)	-	-	85,873	24,331	21.30%	20.60%	5,122	(Note 28)3	63,437	-	-
Wistron Optronics (Kunshan) Co. , Ltd.	Production of communication products and components	3,676,442	-	(Note 27)2	3,632,613	-	-	-	3,632,613	(37,217)	100.00%	100.00%	(37,217)	(Note 28)2	3,688,387	-	-
Wistron Optronics (Shanghai) Co., Ltd.	Sales of communication products and components	131,044	-	(Note 27)2	131,044	-	-	-	131,044	4,936	100.00%	100.00%	4,936	(Note 28)2	83,429	-	-
HSIEH-YUH ELECTRONICS TECHNOLOGY (ZHONG SHAN) CO., LTD.	Production and management of new-type electronic components	426,055	(Note 18)	(Note 27)2	79,722	-	-	-	79,722	32,038	26.08%	26.08%	-	(Note 28)3	-	-	-
LIAN-YI PRECISION (ZHONGSHAN) INC.	Manufacturing of high-temperature resistant insulation materials and molded insulation products; and assembly of computer, server and the peripheral equipment.	1,124,931	-	(Note 27)2	332,795	-	-	-	332,795	(9,548)	28.88%	28.88%	(2,758)	(Note 28)3	(420,587)	-	-
WIS PRECISION (TAIZHOU) CO., LTD.	Sales of new-type alloy(Mg.-X-Al.) material	2,220,502	-	(Note 27)2	643,191	-	-	-	643,191	(216,452)	28.88%	28.88%	(62,511)	(Note 28)3	503,669	-	-
Hartec Technology (Kunshan) Co., Ltd.	Production and sales of electronic high-tech nano material	516,917	-	(Note 27)2	128,815	-	-	-	128,815	(362,734)	20.02%	20.02%	(72,619)	(Note 28)3	116,964	-	-
Wistron Advanced Materials(Kunshan) Co. Ltd	Research and development, manufacturing and sales of electronic regeneration ecofriendly plastic goods	953,939	-	(Note 27)2	953,939	-	-	-	953,939	6,278	100.00%	100.00%	6,278	(Note 28)2	18,021	-	-
Zongshan Global Lighting Technology Limited Co.	Manufacturing and sales of LGP, backlight and related light-electronic components	445,825	-	(Note 27)2	72,007	-	-	-	72,007	NA	16.23%	16.23%	-	-	74,824	-	-
Wistron InfoComm (CHONGQING) Co.Ltd.	Assembly and manufacturing and sales of Notebook computer	583,823	-	(Note 27)2	583,823	-	-	-	583,823	1,059,330	100.00%	100.00%	1,059,330	(Note 28)2	6,254,516	-	-
Wistron Investment (Sichuan) Co., Ltd.	Investment and holding	2,501,366	-	(Note 27)2	2,501,366	(Note 5)	-	-	2,501,366	1,506,502	100.00%	100.00%	1,506,502	(Note 28)2	9,537,455	-	-
Wistron InfoComm (Chengdu) Co., Ltd.	Assembly and manufacturing and sales of Notebook computer	2,396,524	-	(Note 27)2	2,396,524	(Note 5)	-	-	2,396,524	1,500,850	100.00%	100.00%	1,500,850	(Note 28)2	9,438,352	-	-
Wistron InfoComm Technology Service (Kunshan) Co., Ltd	Research and development and design of electronic calculator and other electronic products	59,042	-	(Note 27)2	59,042	-	-	-	59,042	(88,200)	100.00%	100.00%	(88,200)	(Note 28)2	(128,515)	-	-

WISTRON CORPORATION
Notes to the Parent-Company-Only Financial Statements

Table 9 Information on investment in Mainland China

1. Information on investment in Mainland China:

(TWD : expressed in thousands)

Investee in Mainland China	Main Businesses and Products	Total amounts of paid-in capital		Method of investment	Accumulated amounts of remittance from Taiwan as of January 1, 2023		Investment flows		Accumulated amounts of remittance from Taiwan as of December 31, 2023	Net income (loss) of the investee	Highest percentage of shares during the period	Direct / indirect shareholding by the Company	Investment income (losses) recognized by the Company		Carrying amount of the investment as of December 31, 2023	Accumulated inward remittance of earnings as of December 31, 2023	Note
							Outflow	Inflow									
Shenzhen Keen High Technologies Ltd	Manufacturing of digital photo frame, MP3, MP4 and GPS	198,648	-	(Note 27)2	31,110	(Note 6)	-	-	31,110	NA	15.17%	15.17%	-	-	-	-	-
SMS InfoComm(Chongqing) Co.,Ltd.	Sales and distribution of computer products and components	126,838	-	(Note 27)1	126,838	-	-	-	126,838	11,661	100.00%	100.00%	11,661	(Note 28)2	430,315	-	-
Wiwynn Technology Service KunShan Ltd.	Sales of cloud data center equipment	10,659	-	(Note 27)3	10,659	-	-	-	10,659	15,881	43.44%	42.82%	6,852	(Note 28)2	51,374	-	-
ICA Inc.	Research and development, design, manufacturing, sales, and maintenance of intelligent terminals	91,991	-	(Note 27)2	-	-	-	-	-	(224)	20.00%	20.00%	(4,164)	(Note 28)3	-	-	-
Wistron Medical Tech (Chongqing) CO., LTD.	Production of medical instruments	94,500	-	(Note 27)3	-	-	-	-	-	(7,813)	92.65%	92.65%	(7,203)	(Note 28)2	(45,183)	-	-
XTRONICS(Nanjing) Automotive Intelligent Technologies Co., Ltd.	Virtual image Head-up display and new energy car high-power charging device	538,557	(Note 24)	(Note 27)3	-	-	-	-	-	(7,257)	33.41%	33.41%	(2,427)	(Note 28)3	129,819	-	-
XTRONICS(Kunshan)Electronics Technology Co., Ltd	Research and development, production and sales of automotive electronics, automotive parts, smart consumer equipment and telematics	217,707	-	(Note 27)3	-	-	-	-	-	(65,910)	100.00%	100.00%	(65,910)	(Note 28)2	252,919	-	-
Wistron InfoComm Computer (Chengdu)Co.,Ltd	Assembly and manufacturing and sales of Notebook computer	28,258	-	(Note 27)2	-	-	-	-	-	5,132	100.00%	100.00%	5,132	(Note 28)2	12,754	-	-
Wistron Green Recycling Technology (Kunshan) Co., Ltd.	Research and development and sales of new-type material and regeneration ecofriendly plastic goods	26,470		(Note 27)3	-		-	-	-	12,043	100.00%	100.00%	12,043	(Note 28)2	37,772	-	-

WISTRON CORPORATION
Notes to the Parent-Company-Only Financial Statements

2. Limitation on investment in Mainland China

(TWD : expressed in thousands)

Company	Accumulated amounts investment in Mainland China as of December 31, 2023 (Note 1)、(Note 2)、(Note 3)、(Note 4)、(Note 5)、(Note 7)、(Note 8)、(Note 9)、(Note 10)、(Note 11) 、(Note 12) 、(Note 13)、(Note 14)、(Note 19)、(Note 20)、(Note 21)、(Note 22)、(Note 23) and (Note 25)	Investment amounts authorized by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 4)、(Note 15) and (Note 25)	Ceiling on investment in Mainland China imposed by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 16)
Wistron Corporation	24,440,904 (USD 788,612,330)	14,256,977 (USD 463,305,006)&(CNY 4,000,000)	-

(Note 1) The Company invested the amount of USD5,150,000 (approximately TWD149,551) in BRIVISION OPTRONICS (L) CORP, acquiring 50.99% of its share; therefore, resulting in an indirect ownership of BriVision Optronics (Zhongshan) Corp. with the same amount of shares. The application to transfer the investment in Mainland China has been authorized by the Investment Commission, MOEA on January 17, 2013. Therefore, the accumulated investment amount in Mainland China will be revised in accordance with the amount authorized by the Investment Commission. Also, Cowin, one of 100% owned subsidiaries of the Company, merged with BRIVISION OPTRONICS(L) CORP. by exchanging 1 share for 1.89 share on November 14, 2013. After the merger, Cowin became the existing company, while Brivision was liquidated in the first quarter of 2015. Therefore, 100% ownership of BriVision Optronics (Zhongshan) Corp. was transferred to Cowin Worldwide Corporation in the second quarter of 2014.
Wistron InfoComm (Zhongshan) Corporation, in which the Company indirectly owned 100% of its shares, merged with BriVision Optronics (Zhongshan) Corp. in the second quarter of 2015, resulting in an increase in the investment capital of Wistron InfoComm (Zhongshan) Corporation to USD218,050,000 (approximately TWD6,872,015), which was authorized by the Investment Commission on July 31, 2015. Also, Wistron InfoComm (Zhongshan) Corporation merged with AII Technology (Zhong Shan) Co., Ltd., one of 100% owned subsidiaries of the Company, in the first quarter of 2017, resulting in an increase in the investment capital of Wistron InfoComm (Zhongshan) Corporation to USD234,000,000 (approximately TWD7,394,179), which was authorized by Investment Commission on December 26, 2016.

(Note 2) Wistron InfoComm (Kunshan) Co., Ltd. merged with Wistron InfoComm Technology (Kunshan) Co., Ltd. in the first quarter of 2015, both entities are 100% owned subsidiaries of the Company, resulting in an increase in the investment capital of Wistron InfoComm (Kunshan) Co., Ltd. to USD32,000,000 (approximately TWD1,085,212), which was authorized by the Investment Commission on January 23, 2015.

(Note 3) On January 24, 2005, the Company applied to the Investment Commission for the revision of the amount of its indirect investment in T-CONN PRECISION (Zhongshan) CORPORATION from USD638,000 to USD550,000, and the application was authorized on February 15, 2005. Also, Super Elite Ltd. acquired Hong Kong Comtek Electronics Co. Ltd. by issuing new shares through stock exchange, resulting in a decrease in the of the Company's investment amount in T-CONN PRECISION (Zhongshan) CORPORATION by USD339,995 (approximately TWD9,793); and the application was authorized by the Investment Commission on May 17, 2012.

(Note 4) The Company indirectly invested in the capital of Wistron Optronics (Kunshan) Co., Ltd. and Wistron Optronics (Shanghai) Corporation, through Wistron Optronics Corporation (WOC) and its subsidiary, WinDisplay, amounting to TWD64,701 and TWD4,877, respectively. However, on March 10, 2007, WOC was merged with WOD Co., Ltd (WOD), a fully owned subsidiaries of the Company. After the merger, WOD became the existing company while WOC being the dissolved entity, who transferred its investment amount, which had been authorized by the Investment Commission on June 14, 2007, to WOD. On the other hand, AIIH transferred the shares of WinDisplay and its subsidiaries to WOD on June 25, 2007 in accordance with the agreement. The Company applied for the transfer of investment amount, which had been authorized by the Investment Commission on July 18, 2007. Therefore, the accumulated investment amount in Mainland China would be revised in accordance with the amount authorized by Investment Commission. On August 17, 2007, WOD Co., Ltd. was renamed as Wistron Optronics Corporation.

(Note 5) The investment in Wistron InfoComm (Chengdu) Co., Ltd., through Wistron Investment (Sichuan) Co., Ltd., was authorized by the Investment Commission. The amount of accumulated investment in Mainland China had increased by USD83,500,000 (approximately TWD2,501,366).

(Note 6) The Board of Directors of Shenzhen Keen High Technologies Ltd., in which the Company indirectly invested in, the court ruled that the application for bankruptcy and liquidation procedures was completed on December 29, 2016.

WISTRON CORPORATION
Notes to the Parent-Company-Only Financial Statements

2. Limitation on investment in Mainland China

(Note 7) Shenzhen Jin Zhi Feng Electronic Co., Ltd, in which the Company indirectly invested in, had completed the cancellation of its business registration. The said investment capital amounting to USD2,331,508.7, which entitled the Company to a full ownership of the entity, had been remitted to KJF Technology Ltd. and was authorized by the Investment Commission on January 12, 2015. However, according to the regulation, the remittance to Mainland China amounting to USD104,452 (approximately TWD3,155) was included in the accumulated investment amount.

(Note 8) Dong Guan Comtek Electronics Co., Limited, in which the Company indirectly invested in, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to CNY449,415.79, which entitled the Company to a full ownership of the entity, had been remitted to Hong Kong Comtek Electronics Co. Ltd. and was authorized by the Investment Commission on July 15, 2013. However, according to the regulation, the remittance to Mainland China amounting to USD179,344 (approximately TWD5,371), was included in the accumulated investment amounts.

(Note 9) Top-Glory Electronic (Zhongshan) Co., Ltd., in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD18,268.22, which entitled the Company to an 11% ownership of the entity, had been remitted to Super Elite Ltd. and was authorized by the Investment Commission on March 25, 2010. However, according to the regulation, the remittance to Mainland China amounting to USD33,000 (TWD1,071) was included in the accumulated investment amounts.

(Note 10) Changshu Pu Yuan electronics Co., Ltd., in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD3,895,791.97, which entitled the Company to a full ownership of the entity, had been remitted to Park Orchid, which was liquidated afterwards. The capital incurred from the liquidation of Park Orchid amounting to USD2,461,084.65 was remitted to Win Smart. With that said, the capital amount of USD2,461,084.65 entitled the Company to a 46.875% ownership of to Win Smart. Therefore, the accumulated investment amount in Mainland China was revised to USD2,812,500 on April 24, 2012, and was authorized by the Investment Commission on April 30, 2012. However, according to the regulation, the remittance to Mainland China amounting to USD2,812,500 (TWD84,714) was included in the accumulated investment amounts.

(Note 11) Wistron optronics (Shanghai) Corporation, in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD58,823.63, which entitled the Company to a full ownership of the entity, had been remitted to WDC and was authorized by the Investment Commission on December 16, 2011. However, according to the regulation, the remittance to Mainland China amounting to USD1 was included in the accumulated investment amounts.

(Note 12) Wistron Service (Shanghai) Co., Ltd., in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD6,507.67 (approximately TWD196), which entitled the Company to a full ownership of the entity, had been remitted to Taiwan and was authorized by the Investment Commission on March 6, 2012. The amount resulted in a decrease in the authorized investment amount. Also, the cancellation of investment was authorized by the Investment Commission on December 8, 2011. However, according to the regulation, the remittance to Mainland China amounting to USD133,492.33 (approximately TWD4,350) was included in the accumulated investment amounts.

(Note 13) WIT Precision (Taizhou) Co., Ltd., in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD18,577.5 (approximately TWD556), which entitled the Company to a 30% ownership of the entity, had been remitted to Taiwan and was authorized by the Investment Commission on September 18, 2012. The amount resulted in a decrease in the authorized investment amount. Also, the cancellation of investment of the Company had already been authorized. However, according to the regulation, the remittance amounting to USD1,241,422.5 (approximately TWD39,449) was included in the accumulated investment amounts.

(Note 14) Zhongshan Deyi Electrical Equipment Co.,Ltd.(Deyi), in which the Company indirectly invested, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD525,684.97, which entitled the Company to a full ownership of the entity, had been remitted to FULLERTON LTD. On October 22, 2013, the Company applied for a revision of its indirect investment in Deyi amounting to USD161,314, which had been authorized by the Investment Commission on October 28, 2013. Afterwards, the cancellation of investment of the Company was authorized by the Investment Commission on November 4, 2013. However, according to the regulation, the remittance to Mainland China amounting to (approximately TWD5,121) was included in the accumulated investment amounts.

(Note 15) The amounts translated were using the spot rates on December 31, 2023.

(Note 16) On November 15, 2023, the Company obtained the Certificate of Qualified Operating Headquarters, which was issued by the Department of Industrial Development, Ministry of Economic Affairs, in accordance with the revised "Approval Guidelines for Engagement in Investments or Technological Cooperation in Mainland China" and "Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China" that was announced on August 22, 2008. Therefore, the Company was not restricted or limited, in anyway, regarding the investment amount in Mainland China.

WISTRON CORPORATION
Notes to the Parent-Company-Only Financial Statements

2. Limitation on investment in Mainland China

(Note 17) Wistron InfoComm (CHONGQING) Co. Ltd., one of the fully directly owned subsidiaries of the Company, used its own capital to invest in ICA Inc.; the transaction was not restricted or limited, in anyway, regarding the investment amount in Mainland China.

(Note 18) HSIEH-YUH ELECTRONICS TECHNOLOGY (ZHONG SHAN) CO., LTD. merged with BriVision Optronics (Zhongshan) Corp. in the fourth quarter of 2016, both entities are fully owned subsidiaries of the Company, resulting in an increase in the investment capital of HSIEH-YUH ELECTRONICS TECHNOLOGY (ZHONG SHAN) CO., LTD. to USD2,452,912 (approximately TWD79,722), which was authorized by the Investment Commission on November 30, 2016.

(Note 19) The Company invested the amount of USD16,961 (approximately TWD513) in WIEDU HONG KONG LIMITED, acquiring 18.73% of its share; therefore, resulting in an indirect ownership of Weshtek Information Technology Services Co., Ltd., Shanghai (Weshtek), whose entire shares are held by the Company.

Weshtek, in which the Company indirectly invested, had been liquidated in the 4th quarter of 2022, resulting in the investment capital amounting to USD71,931.41 to be remitted to WiEdu Hong Kong Limited, liquidation process completed as of reporting date. However, according to the regulation, the remittance to Mainland China amounting to TWD22,449 needs to be included in the accumulated investment amounts.

(Note 20) The indirect investment in Wistron Investment (Jiangsu) Co., Ltd. a holding company, through Win Smart Co., Ltd. with amount of USD200,000,000, was authorized by the Investment Commission on December 18, 2017. Till the second quarter of 2019, the remittance to Mainland China was only USD100,000,000 (approximately TWD3,117,440). Wistron Investment (Jiangsu) Co., Ltd. invested the amount of USD100,000,000 (approximately TWD3,055,830) in Wistron InfoComm Manufacturing (Kunshan) Co., Ltd. acquiring 78.13% of its share in the fourth quarter of 2019. The cancellation of the original investment plan of USD100,000,000 which had not been implemented was authorized by the Investment Commission on November 13,2020. The application that Win Smart Co., Ltd. disposed the entire shares of Wistron Investment (Jiangsu) Co., Ltd. and Wistron InfoComm Manufacturing (Kunshan) Co., Ltd. was authorized by the Investment Commission on February 18, 2021. The investment amounting to USD380,000,000 (approximately TWD10,620,040) was remitted to Taiwan through Win Smart Co afterwards. However, according to the regulation, the remittances to Mainland China amounting to USD100,000,000 (approximately TWD3,117,440) for Wistron Investment (Jiangsu) Co., Ltd. and USD28,000,000 (approximately TWD939,420) for Wistron InfoComm Manufacturing (Kunshan) Co., Ltd. were included in the accumulated investment amounts.

(Note 21) Wistron InfoComm (Qingdao) Co.,Ltd, Limited, in which the Company indirectly invested in, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD7,123,297.09, which entitled the Company to a full ownership of the entity, had been remitted to WISTRON HONG KOMG HOLDING LIMITED. and was authorized by the Investment Commission on March 14, 2018. However, according to the regulation, the remittance to Mainland China amounting to USD6,000,000 (approximately TWD179,436), was included in the accumulated investment amounts.

(Note 22) Wiwynn Technology Service (Beijing) Limited, in which the Company indirectly invested in, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to CNY7,543.21, which entitled the Company to a full ownership of the entity, had been remitted to WIN SMART CO., LTD. and was authorized by the Investment Commission on May 18, 2018. However, according to the regulation, the remittance to Mainland China amounting to USD2,899,788.94 (approximately TWD86,742) was included in the accumulated investment amounts.

(Note 23) ANWITH (KunShan) CO.,LTD. in which the Company indirectly invested in, had completed the cancellation of its business registration and liquidation. The said investment capital amounting to USD2,023,982.58, which entitled the Company to a full ownership of the entity, had been remitted to WISTRON HONG KONG LIMITED. and was authorized by the Investment Commission on October 19, 2018. However, according to the regulation, the remittance to Mainland China amounting to USD3,000,000 (approximately TWD89,256) was included in the accumulated investment amounts.

(Note 24) Wistron InfoComm (Kunshan) Co., Ltd., in which the Company indirectly invested, invested the amount of CNY47,118,000 (TWD209,859) in Xtronics (Nanjing) Electronics Technology Co., acquiring 31.41% of its share in the fourth quarter of 2018, with which the change of its business registration had been completed in the first quarter of 2019. Xtronics Innovation Ltd. has agreed to transfer 2% of its shares to Wistron InfoComm (Kunshan) Co. Ltd., in which the Company indirectly invested. Wistron InfoComm (Kunshan) Co. Ltd. invested the amount of CNY3,000,000 (approximately TWD13,790) in Xtronics (Nanjing) Electronics Technology Co., acquiring 33.41% of its share in the second quarter of 2019.

(Note 25) KOEKS, in which the Company has an indirect interest, ceased its operations in second quarter of 2023, wherein its rights and obligations have been liquidated and its business registration has been cancelled, with the liquidation share capital of USD299,516.98 having been remitted back to Kaohsiung Opto-Electronics Inc. All relevant procedures for the cancellation of the investment to the MOEA had been approved on June 27, 2023. However, the investment amount of USD299,516.98 (TWD8,989) remitted from Taiwan to Mainland China still needs to be deducted according to the regulations of MOEA.

(Note 26) The Company transferred its entire shareholdings in Kunshan Changnun Precision Casting Co., Ltd., in which the Company indirectly invested in third quarter of 2023. The said investment capital amounting to CNY1,528,908 (TWD 6,759) had been remitted to Wise Cap Limited Company, with the approval of the Investment Commission on September 11, 2023.

WISTRON CORPORATION
Notes to the Parent-Company-Only Financial Statements

2. Limitation on investment in Mainland China

(Note 27) To invest in Mainland China by:

1. Direct investment in Mainland China.
2. Indirect investment in Mainland China through a foreign company.
3. Others

(Note 28) Recognized share of associates and joint ventures accounted for equity method:

1. The financial statements of the investee company were audited by the international accounting firms which cooperated with R.O.C. accounting firms.
2. The financial statements of the investee company were audited by the Group's auditor.
3. Others

3. Significant transactions

The significant transactions of the entities in China in which the Company, directly or indirectly owned, refer to Table 1 to Table 9.

6.6 Any financial distress experienced by the company or its affiliated enterprises and impacts on the company's financial postion, in the last year up till the publication date of this annual report：None.