

**Princeton Technology Corp.
and Subsidiaries
Consolidated Financial Statements for the
Three Months Ended March 31, 2024 and 2023
Together with Independent Auditors' Review Report**

English Translation of Financial Statements Originally Issued in Chinese

Independent Auditors' Review Report

The Board of Directors and Stockholders
Princeton Technology Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of Princeton Technology Corp. and subsidiaries (the Company) as of March 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated changes in equity and cash flows for the three month ended and the notes to the consolidated financial statements, including a summary of significant accounting policies. 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 International Accounting Standards 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with Statement on Review Engagements No. 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters the might be identified in an audit. Accordingly, we do not express such an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the financial position of the entity as at March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three month then ended March 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

WU MENG TA

PAN JIN SHU

Crowe (TW) CPAs

May 8, 2024

Notice to Readers

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

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Princeton Technology Corp. and Subsidiaries

Consolidated Balance Sheets

March 31, 2024 December 31, 2023 and March 31, 2023

(Expressed in Thousand New Taiwan Dollars)

Assets	Note	March 31, 2024		December 31, 2023		March 31, 2023	
		Amount	%	Amount	%	Amount	%
Current assets							
Cash and cash equivalents	6	\$ 459,469	19	\$ 251,301	10	\$ 446,979	17
Financial assets at fair value through profit or loss	7	279,455	11	339,234	14	191,096	7
Notes receivable, net	9	400	-	2,738	-	1,238	-
Accounts receivable, net	9	232,306	10	310,128	12	386,042	15
Accounts receivable, net-related parties	9	-	-	-	-	55	-
Other receivables	9&31	8,469	-	6,096	-	8,794	-
Current tax assets	28	519	-	530	-	1,335	-
Inventories, net	10	526,074	21	527,026	22	656,855	25
Prepayments		20,743	1	11,850	-	8,324	-
Other financial assets	6&32	2,037	-	2,031	-	2,070	-
Total current assets		1,529,472	62	1,450,934	58	1,702,788	64
Non-current assets							
Financial assets at fair value through profit or loss	7	46,644	2	42,291	2	21,026	1
Financial assets at fair value through other comprehensive income	8	51,066	2	51,281	2	8,530	-
Investments accounted for under the equity method	11	59,246	2	61,972	2	27,301	1
Property, plant and equipment	12&32	451,695	19	423,169	17	428,881	16
Right-of-use assets	13	4,192	-	4,046	-	8,242	-
Investment property	14&32	279,308	11	269,432	11	267,333	10
Intangible assets	15	4,006	-	3,939	-	4,069	-
Deferred tax assets	28	13,487	-	13,482	-	14,116	-
Other noncurrent assets	16&32	45,607	2	194,560	8	205,959	8
Total non-current assets		955,251	38	1,064,172	42	985,457	36
Total assets		\$ 2,484,723	100	\$ 2,515,106	100	\$ 2,688,245	100
Liabilities and stockholders' equity							
Current liabilities							
Short-term loans	17	\$ 35,068	2	\$ 34,407	2	\$ -	-
Contract liability	23	5,608	-	7,678	-	13,816	-
Accounts payable		91,205	4	112,506	4	152,102	6
Other payables	18	68,615	2	92,400	4	81,201	3
Long-term liabilities - current portion	19&31	-	-	-	-	30,400	2
Other current liabilities		421	-	533	-	953	-
Total current liabilities		200,917	8	247,524	10	278,472	11
Non-current liabilities							
Deferred tax liability	28	11,375	-	4,602	-	4,521	-
Net defined benefit liability	20	11,805	-	12,266	-	15,106	-
Refundable deposits	21	36,864	2	35,311	2	108,831	4
Total non-current liabilities		60,044	2	52,179	2	128,458	4
Total liabilities		260,961	10	299,703	12	406,930	15
Equity attributable to the parent company							
Capital	22	1,809,437	73	1,809,437	72	1,809,437	68
Additional paid-in capital	22	73,923	3	73,923	3	33,796	1
Retained earnings	22						
Legal reserve		112,070	4	112,070	5	94,775	4
Special capital reserve		37,193	2	37,193	2	-	-
Unappropriated earnings		33,830	2	61,011	2	220,651	8
Total retained earnings		183,093	8	210,274	9	315,426	12
Other components of equity	22	(22,088)	(1)	(45,891)	(2)	(41,467)	(2)
Total equity attributable to the parent		2,044,365	83	2,047,743	82	2,117,192	79
Non-controlling interests	22	179,397	7	167,660	6	164,123	6
Total equity		2,223,762	90	2,215,403	88	2,281,315	85
Total liabilities and equity		\$ 2,484,723	100	\$ 2,515,106	100	\$ 2,688,245	100

The accompanying notes are integral part of consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Princeton Technology Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2024 & 2023

(Expressed in Thousand New Taiwan Dollars, Except for Earnings Per Share Amounts)

(Reviewed, Not Audited)

	Note	2024.01.01~2024.03.31		2023.01.01~2023.03.31	
		Amount	%	Amount	%
Net sales	23&31	\$ 295,051	100	\$ 486,610	100
Cost of goods sold	10.20&24	(200,603)	(68)	(321,035)	(66)
Gross profit		94,448	32	165,575	34
Operating expenses	20.24&31				
Marketing		(13,757)	(5)	(14,090)	(3)
General and administrative		(38,624)	(13)	(47,402)	(10)
Research and development		(89,097)	(30)	(76,485)	(15)
Total operating expenses		(141,478)	(48)	(137,977)	(28)
Operating (loss) income		(47,030)	(16)	27,598	6
Non-operating income and expenses					
Interest income	25	113	-	462	-
Other gain and loss	26&31	28,013	9	22,154	4
Finance costs	27	(337)	-	(940)	-
Share of loss of associates and joint ventures	11	(2,808)	(1)	(6,756)	(1)
Subtotal		24,981	8	14,920	3
(Loss) income from continuing operations before income tax		(22,049)	(7)	42,518	9
Income tax (expense) benefit	28	(532)	-	3,468	-
Net (loss) income		(22,581)	(8)	45,986	9
Other comprehensive income and loss					
Items that will not be reclassified subsequently to profit or loss:					
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	22	(2,097)	-	329	-
Income tax expense related to items that will not be reclassified subsequently to profit or loss	28	-	-	-	-
Subtotal		(2,097)	-	329	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	22	39,410	13	(7,179)	(1)
Share of other comprehensive loss of subsidiaries and associates	22&28	82	-	-	-
Income tax (expense) benefit related to items that may be reclassified subsequently to profit or loss	22&28	(6,455)	(2)	1,150	-
Subtotal		33,037	11	(6,029)	(1)
Total other comprehensive income, net of tax		30,940	11	(5,700)	(1)
Total comprehensive income		\$ 8,359	3	\$ 40,286	8
Net (loss) income attributable to:					
Stockholders of the parent		(27,181)	(9)	\$ 47,703	9
Non-controlling interests		4,600	1	(1,717)	-
		\$ (22,581)	(8)	\$ 45,986	9
Comprehensive income attributable to:					
Stockholders of the parent		\$ (3,378)	(1)	\$ 43,429	8
Non-controlling interests		11,737	4	(3,143)	-
		\$ 8,359	3	\$ 40,286	8
Earnings per share	29				
Earnings per share-basic		\$ (0.15)		\$ 0.26	
Diluted earnings per share		\$ (0.15)		\$ 0.26	

The accompanying notes are integral part of consolidated financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Princeton Technology Corp. and Subsidiaries

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2024 & 2023

(Expressed in Thousand New Taiwan Dollars)

(Reviewed, Not Audited)

	Equity attributable to the parent													Non-controlling interests	Total Equity
	Additional paid-in capital				Retained earnings				Other components of equity						
	Common Stock	Premiums	Recognize changes in subsidiaries' ownership	Share of changes in equities of associates and joint venture	Employee stock options	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences arising on translation of foreign operations	Unrealized gain on investments in equity instruments at fair value through other comprehensive income	Total equity attributable to the parent				
Balance as of January 1, 2023	\$ 1,809,437	\$ 1,102	\$ 39	\$ 15,411	\$ 4,592	\$ 94,775	\$ -	\$ 172,948	\$ (118)	\$ (37,075)	\$ 2,061,111	\$ 167,266	\$ 2,228,377		
Adjustments to share of changes in equities of associates and joint venture	-	-	-	12,652	-	-	-	-	-	-	12,652	-	12,652		
Net income (loss) for the three months ended March 31, 2023	-	-	-	-	-	-	-	47,703	-	-	47,703	(1,717)	45,986		
Other comprehensive income for the three months ended March 31, 2023	-	-	-	-	-	-	-	-	(4,603)	329	(4,274)	(1,426)	(5,700)		
Total comprehensive income	-	-	-	-	-	-	-	47,703	(4,603)	329	43,429	(3,143)	40,286		
Balance as of March 31, 2023	<u>\$ 1,809,437</u>	<u>\$ 1,102</u>	<u>\$ 39</u>	<u>\$ 28,063</u>	<u>\$ 4,592</u>	<u>\$ 94,775</u>	<u>\$ -</u>	<u>\$ 220,651</u>	<u>\$ (4,721)</u>	<u>\$ (36,746)</u>	<u>\$ 2,117,192</u>	<u>\$ 164,123</u>	<u>\$ 2,281,315</u>		
Balance as of January 1, 2024	\$ 1,809,437	\$ 1,102	\$ 39	\$ 68,190	\$ 4,592	\$ 112,070	\$ 37,193	\$ 61,011	\$ (9,122)	\$ (36,769)	\$ 2,047,743	\$ 167,660	\$ 2,215,403		
Net (loss) income for the three months ended March 31, 2024	-	-	-	-	-	-	-	(27,181)	-	-	(27,181)	4,600	(22,581)		
Other comprehensive income for the three months ended March 31, 2024	-	-	-	-	-	-	-	-	25,900	(2,097)	23,803	7,137	30,940		
Total comprehensive income	-	-	-	-	-	-	-	(27,181)	25,900	(2,097)	(3,378)	11,737	8,359		
Balance as of March 31, 2024	<u>\$ 1,809,437</u>	<u>\$ 1,102</u>	<u>\$ 39</u>	<u>\$ 13,262</u>	<u>\$ 4,592</u>	<u>\$ 112,070</u>	<u>\$ 37,193</u>	<u>\$ 33,830</u>	<u>\$ 16,778</u>	<u>\$ (38,866)</u>	<u>\$ 2,044,365</u>	<u>\$ 179,397</u>	<u>\$ 2,223,762</u>		

The accompanying notes are integral part of financial statements.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Princeton Technology Corp. and Subsidiaries

Consolidated Statements of Cash Flows

For the three months ended March 31, 2024 & 2023

(Expressed in Thousand New Taiwan Dollars)

(Reviewed, Not Audited)

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Cash flows from operating activities:		
Net (loss) income before tax	\$ (22,049)	\$ 42,518
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	13,210	12,829
Amortization expense	8	25
Net income of financial assets at fair value through profit or loss	(1,728)	(8,698)
Finance costs	337	940
Interest income	(113)	(462)
Share of loss of associates and joint ventures	2,808	6,756
Gain on disposal of property, plant and equipment, net	(96)	-
Changes in operating assets and liabilities:		
Decrease (increase) in :		
Mandatorily classified FVTPL	66,133	33,482
Notes receivable	2,338	11,931
Accounts receivable	77,822	(2,669)
Accounts receivable-related parties	-	(55)
Other receivables	(2,179)	1,871
Inventories	952	62,786
Prepayments	(8,893)	7,704
Other financial asset	(6)	(5)
Increase (decrease) in :		
Contract liability	(2,070)	(3,765)
Accounts payable	(21,301)	(11,431)
Other payables	(23,787)	(33,759)
Other current liabilities	(112)	301
Net defined benefit liabilities	(461)	(450)
Cash provided by operations	80,813	119,849
Interest received	(81)	987
Interest paid	(337)	(1,913)
Income tax paid	-	(882)
Net cash provided by operating activities	<u>80,395</u>	<u>118,041</u>

(Continued)

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Cash flows from investing activities:		
Proceeds from Financial assets at amortized cost	-	76,681
Acquisition of financial assets at fair value through profit or loss	(4,500)	-
Acquisition of investments accounted for under the equity method	-	(14,760)
Acquisition of property, plant and equipment	(8,048)	(6,798)
Proceeds from disposal of property, plant and equipment	96	-
Decrease in other noncurrent assets	125,857	65,858
Net cash provided by investing activities	<u>113,405</u>	<u>120,981</u>
Cash flows from financing activities		
Decrease in long-term loans	-	(60,800)
Increase in guarantee deposits received	1,553	-
Decrease in guarantee deposits received	-	(1,204)
Increase (decrease) in non-controlling interests	7,137	(1,426)
Net cash provided by (used in) financing activities	<u>8,690</u>	<u>(63,430)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>5,678</u>	<u>(3,923)</u>
Net Increase in cash and cash equivalents	208,168	171,669
Cash and cash equivalents at beginning of period	<u>251,301</u>	<u>275,310</u>
Cash and cash equivalents at end of period	<u>\$ 459,469</u>	<u>\$ 446,979</u>

(Concluded)

The accompanying notes are integral part of consolidated financial statements.

English Translation of Financial Statements Originally Issued in Chinese
Princeton Technology Corp. and Subsidiaries
Notes to Consolidated Financial Statements
For the three months ended March 31, 2024 & 2023
(Expressed in Thousand New Taiwan Dollars, unless otherwise specified)

1. Company establishment

Princeton Technology Corp. (PTC) was established in May 1986. It specializes in the development, design, testing and sales of high quality, high value-added consumer integrated circuits(ICs). PTC's common shares were publicly listed on the Gre Tai Securities Market (GTSM) in December, 2001.

2. Date and procedures of authorization of financial statements for issue

The financial statements were reported to the Board of Directors and issued on May 8, 2024.

3. Newly issued or revised standards and interpretations

a. Initial application of the amendments to the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations (collectively, "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC).

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

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date Issued by IASB</u>
Amendments to IFRS 16 "Leases Liability in a Sale and leaseback"	January 1, 2024(Note1)
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier finance arrangements"	January 1, 2024(Note2)

Note1: The seller-lessee shall apply the amendments retroactively in accordance with IAS 8 for the sale and leaseback transactions made after the initial application of IFRS 16.

Note 2: This amendment provides certain transitional reliefs. When initially applying the amendment, Group are not required to disclose comparative information and interim period information, as well as opening information required by paragraph 44H(b)(ii)-(iii).

The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have a significant effect on the Company accounting policies.

b. The impact of the Company has not applied the IFRSs in issue endorsed by the FSC : None

c. The IFRSs issued by IASB but not yet endorsed and issued into effect by FSC

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date Issued by IASB</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
IFRS18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
Amendments to IFRS 21 " Lack of Exchangeability "	January 1, 2025

As of the date the accompanying consolidated financial statements were issued, the Company continues in evaluating the impact on its financial position and financial performance as a result of the initial adoption of the other standards or interpretations. The related impact will be disclosed when the Company completes the evaluation.

4.Summary of significant accounting policies

Except for the following, the accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2023. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Statement of Compliance

The accompany consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting” endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRSs endorsed and issued into effect the FSC.

Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

Basis of Consolidation

a.The basis for the consolidated financial statements

The consolidated financial statements incorporate the financial statements of PTC and entities controlled by PTC (its subsidiaries). Income and expenses of subsidiaries acquired or disposed of are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the noncontrolling interests even if this results in the noncontrolling interests having a deficit balance.

Changes in the Company’s ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the Company should recognize any resulting differences between (1) the fair value of the consideration received, from the transaction, event or circumstances that resulted in the loss of control; and any investment retained in the former subsidiary at its fair value at the date when control is lost, and (2) the assets (including any goodwill), liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost.

If the Company loses control of a subsidiary, the Company shall account for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost shall be regarded as the cost on initial recognition of an investment in an associate.

b.The subsidiaries in the consolidated financial statements

The detail information of the subsidiaries at the end of reporting period was as follows:

Name of Investor	Name of Investee	Main Businesses and Products	Percentage of Ownership		
			March 31, 2024	December 31, 2023	March 31, 2023
Princeton Technology Corp.	PRINCETON SILICON LIMITED (PRINCETON SILICON)	Holding company	100.00%	100.00%	100.00%
Princeton Technology Corp.	Princeton Capital Corp. (Princeton Capital)	Investment holding	100.00%	100.00%	100.00%
PRINCETON SILICON	Princeton Technology (Shenzhen) Ltd. (Princeton Technology (Shenzhen))	IC sales, design & marketing and software research; the research and development of separators for lithium-ion batteries; communications equipment technical consulting and after-sale service	100.00%	100.00%	100.00%
PRINCETON SILICON	Princeton Technology (Chengdu) Corp. (Princeton Technology (Chengdu))	IC design and software research, technology transfer, technical consulting, after-sales service; modular design of electronic systems, development and sale; IC sale, import and export, communications equipment research, sales, import and export, technical consulting, after-sale service; lithium-ion batteries research, sales, import and export; own house rental	100.00%	100.00%	100.00%
Princeton Technology (Shenzhen)	Chengdu Chip-Rail Microelectronics Co., Ltd. (Chengdu Chip-Rail)	Computer systems development, IC design, computer hardware and software design and technical services	51.00%	51.00%	51.00%

c. Unconsolidated subsidiaries: None.

d. Non-wholly owned subsidiaries that have noncontrolling material interests:

The information on non-controlling interest and respective subsidiaries are as follows:

Name of subsidiary	Principal place of business	Percentage of Ownership of Non-controlling Interest		
		March 31, 2023	December 31, 2022	March 31, 2022
Chengdu Chip-Rail	China	49.00%	49.00%	49.00%

Name of subsidiary	Profit or Loss Distribute to Non-controlling Interest	
	2024.01.01~2024.03.31	2023.01.01~2023.03.31
Chengdu Chip-Rail	\$ 4,600	\$ (1,717)

Name of subsidiary	Non-controlling Interest		
	March 31, 2024	December 31, 2023	March 31, 2023
Chengdu Chip-Rail	\$ 179,397	\$ 167,660	\$ 164,123

The summary financial information (including the intra-company transactions) of subsidiaries are as follows :

Balance sheets

	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	\$ 416,364	\$ 388,554	\$ 378,679
Non-current assets	8,564	8,895	9,129
Current liabilities	(58,813)	(55,287)	(52,773)
Non-current liabilities	—	—	(90)
Equity	\$ 366,115	\$ 342,162	\$ 334,945
Equity attributable to :			
Stockholders of the parent	\$ 186,718	\$ 174,502	\$ 170,822
Non-controlling interests	179,397	167,660	164,123
	\$ 366,115	\$ 342,162	\$ 334,945

Statements of comprehensive incomes

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Net sales	\$ <u>77,154</u>	\$ <u>67,535</u>
Net loss for the period	\$ 9,386	\$ (3,504)
Other comprehensive income	<u>14,566</u>	<u>(2,910)</u>
Total comprehensive income	\$ <u>23,952</u>	\$ <u>(6,414)</u>
Net loss attributable to :		
Stockholders of the parent	\$ 4,786	\$ (1,787)
Non-controlling interests	<u>4,600</u>	<u>(1,717)</u>
	\$ <u>9,386</u>	\$ <u>(3,504)</u>
Comprehensive income attributable to:		
Stockholders of the parent	\$ 12,215	\$ (3,271)
Non-controlling interests	<u>11,737</u>	<u>(3,143)</u>
	\$ <u>23,952</u>	\$ <u>(6,414)</u>
Dividends paid to non-controlling interests	\$ <u>—</u>	\$ <u>—</u>

Statements of cash flows

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Net cash provided by operating activities	\$ 20,643	\$ 16,488
Net cash provided by investing activities	<u>—</u>	<u>30,908</u>
Net increase in cash and cash equivalents	\$ <u>20,643</u>	\$ <u>47,396</u>

e. Adjustments for subsidiaries with different balance sheet dates: None.

f. Issuance of securities held by a subsidiary of the parent content: None.

g. Significant restrictions: None.

Classification of Current and Noncurrent Assets and Liabilities

Current assets are assets held for trading purposes and assets expected to be converted to cash or cash equivalent, sold or consumed within 12 months from the end of the reporting period, unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the end of the reporting period.

Current liabilities are obligations incurred for trading purposes, obligations expected to be settled within 12 months from the end of the reporting periods and liabilities for which the Company does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

Retirement Benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

The effect of a change in tax rate resulting from a change in tax law is recognized consistently with the accounting for the transaction itself which gives rise to the tax consequence, and this is recognized in profit or loss, other comprehensive income or directly in equity in full in the period in which the change in tax rate occurs.

5. Critical accounting judgments and key sources of estimation and uncertainty

The same critical accounting judgments and key sources of estimates and uncertainty have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2023.

6. Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Cash on hand	\$ 461	\$ 442	\$ 460
Checking and savings accounts	433,701	225,996	386,682
Time deposits	25,307	24,863	59,837
	<u>\$ 459,469</u>	<u>\$ 251,301</u>	<u>\$ 446,979</u>

As of March 31, 2024, December 31, 2023 and March 31, 2023, the pledged certificates of bank deposits have been reclassified to other financial assets. Refer to Note 32 .

7. Financial assets at FVTPL

a. The details of financial assets at FVTPL, current are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets at FVTPL - current</u>			
Mandatorily classified financial assets as at FVTPL			
Wealth management products	\$ 195,870	\$ 255,945	\$ 116,486
Mutual funds	51,509	50,857	45,078
Listed stocks	32,076	32,432	29,532
	<u>\$ 279,455</u>	<u>\$ 339,234</u>	<u>\$ 191,096</u>

Financial assets at FVTPL – non- current

Mandatorily classified financial assets as at FVTPL

Limited partnership	<u>\$ 46,644</u>	<u>\$ 42,291</u>	<u>\$ 21,026</u>
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b. The above financial assets at FVTPL, current were all not pledged.

8. Financial assets at FVTOCI

a. The details of financial assets at FVTOCI are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets at FVTOCI – non- current</u>			
Investment in equity instruments			
Foreign unlisted equity investment	\$ 46,008	\$ 44,756	\$ –
Non-publicly traded stocks	3,990	4,350	4,440
Listed stocks through private placement	1,068	2,175	4,090
	<u>\$ 51,066</u>	<u>\$ 51,281</u>	<u>\$ 8,530</u>

b. These investments in equity instruments are not held for trading; instead, they are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

c. The above financial assets at FVTOCI were all not pledged.

9. Notes and accounts receivable, net and other receivable

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Notes receivable</u>			
Notes receivable-operating activities	\$ 400	\$ 2,738	\$ 1,238
Notes receivable-non operating activities	—	—	—
Less: allowance for doubtful accounts	—	—	—
	<u>\$ 400</u>	<u>\$ 2,738</u>	<u>\$ 1,238</u>
<u>Accounts receivable</u>			
Accounts receivable	\$ 242,192	\$ 319,866	\$ 396,095
Less: allowance for doubtful accounts	(9,886)	(9,738)	(9,998)
	<u>\$ 232,306</u>	<u>\$ 310,128</u>	<u>\$ 386,097</u>
<u>Other receivables</u>			
Tax refund receivable	\$ 8,469	\$ 6,096	\$ 8,794
Less: allowance for doubtful accounts	—	—	—
	<u>\$ 8,469</u>	<u>\$ 6,096</u>	<u>\$ 8,794</u>

a. The Company applies the simplified approach to provisions for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected credit losses provision for all trade receivables. The expected credit losses on receivables are estimated using a provision matrix by reference to past default experience of the customers and an analysis of the customers' current financial positions, as well as the forward-looking indicators such as macroeconomic business indicator. The Company estimates expected credit losses based on the number of days for which receivables are past due. As the Company's historical credit losses experience does not show significantly different loss patterns for different customer segments, the provision for losses based on past due status is not further distinguished according to the Company's different customer base.

b. The following table details the loss allowance of accounts receivable and other receivables.

	March 31, 2024					
	Not Past Due	1 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	\$ 240,775	\$ —	\$ —	\$ —	\$ 9,886	\$ 250,661
Estimates expected credit loss rate	0%	0%	0%	0%	100%	
Loss allowance (Lifetime ECL)	—	—	—	—	(9,886)	(9,886)
Amortized cost	<u>\$ 240,775</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 240,775</u>
	December 31, 2023					
	Not Past Due	1 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	\$ 316,224	\$ —	\$ —	\$ —	\$ 9,738	\$ 325,962
Estimates expected credit loss rate	0%	0%	0%	0%	100%	
Loss allowance (Lifetime ECL)	—	—	—	—	(9,738)	(9,738)
Amortized cost	<u>\$ 316,224</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 316,224</u>
	March 31, 2023					
	Not Past Due	1 to 60 Days	61 to 90 Days	91 to 180 Days	Over 180 Days	Total
Gross carrying amount	\$ 394,891	\$ —	\$ —	\$ —	\$ 9,998	\$ 404,889
Estimates expected credit loss rate	0%	0%	0%	0%	100%	
Loss allowance (Lifetime ECL)	—	—	—	—	(9,998)	(9,998)
Amortized cost	<u>\$ 394,891</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 394,891</u>

The movements of the allowance for doubtful accounts and other receivables

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Balance, beginning of period	\$ 9,738	\$ 9,912
Effect of exchange rate changes	148	86
Balance, end of period	<u>\$ 9,886</u>	<u>\$ 9,998</u>

c.The above notes and accounts receivable, net and other receivables were all not pledged.

10. Inventories, net

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Merchandises	\$ 13,216	\$ 13,111	\$ 10,380
Finished goods	109,794	107,299	158,784
Work in progress	285,084	268,037	373,616
Raw materials	117,980	138,579	114,075
	<u>\$ 526,074</u>	<u>\$ 527,026</u>	<u>\$ 656,855</u>

a.The cost of goods sold of the Company consisted of the following:

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Selling cost of inventories	\$ 201,044	\$ 319,362
Loss on decline in value of inventory	(439)	1,714
Others	(2)	(41)
	<u>\$ 200,603</u>	<u>\$ 321,035</u>

b.The above inventories, net were all not pledged.

11. Investments accounted for under the equity method

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Investments in associates	\$ 59,246	\$ 61,972	\$ 27,301

Associates consisted of the following:

	<u>March 31, 2024</u>		<u>December 31, 2023</u>		<u>March 31, 2023</u>	
	Carrying value	%	Carrying value	%	Carrying value	%
<u>Common stock</u>						
Foresight Energy Technology Co., Ltd.	\$ 57,241	8.80%	\$ 59,073	8.80%	\$ 21,812	13.99%
Morelink Technology Corporation	2,005	7.87%	2,899	7.87%	5,489	7.93%
Microlink Communications Inc.	—	25.00%	—	25.00%	—	25.00%
	<u>\$ 59,246</u>		<u>\$ 61,972</u>		<u>\$ 27,301</u>	

a. As of March 31, 2024, the Company's equity in Foresight Energy Technology Co., Ltd. and Morelink Technology Corporation are 8.80% to 7.87%.. The Company held less than 20% of Foresight Energy Technology Co., Ltd. and Morelink Technology Corporation's stock with voting rights, but has significant influence over this investee and accounted for the investment by equity method.

b.As of December 31, 2012, the stockholders' equity of Microlink Communications Inc. had become negative, and the Company didn't intend to continue its support for the investee company. The Company recognized investment loss that make the carrying amount of long-term investment equal to zero.

Unrecognized investment loss of Microlink Communications Inc. was summarized as follows:

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Unrecognized investment loss:		
Current year amount	\$ <u>222</u>	\$ <u>—</u>
Accumulatd amount	\$ <u>26,350</u>	\$ <u>25,492</u>

c. Financial information of the Company's associates was summarized as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Total assets	\$ <u>909,284</u>	\$ <u>935,090</u>	\$ <u>436,641</u>
Total liabilities	\$ <u>340,719</u>	\$ <u>331,651</u>	\$ <u>288,563</u>

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Net revenue	\$ <u>19,871</u>	\$ <u>13,650</u>
Net loss	\$ <u>(34,015)</u>	\$ <u>(30,110)</u>
The Company's share of other comprehensive income of associates	\$ <u>931</u>	\$ <u>—</u>

d. The investment loss for the three months ended March 31, 2024 and 2023 were based on the investees' financial statements reviewed by the auditors for the same periods.

e. All the investments accounted for under equity method were not pledged.

12. Property, plant and equipment

	<u>Land</u>	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Transportation equipment</u>	<u>Furnitures</u>	<u>Other equipment</u>	<u>Subtotal</u>
Cost :							
January 1, 2024	\$ 133,228	\$ 377,184	\$ 1,580	\$ 10,712	\$ 13,867	\$ 78,938	\$ 615,509
Acquisitions	—	24,765	—	571	38	5,772	31,146
Disposals	—	—	—	(4,474)	—	(3,014)	(7,488)
Exchange effect	—	10,888	—	157	343	1,982	13,370
March 31, 2024	<u>\$ 133,228</u>	<u>\$ 412,837</u>	<u>\$ 1,580</u>	<u>\$ 6,966</u>	<u>\$ 14,248</u>	<u>\$ 83,678</u>	<u>\$ 652,537</u>
January 1, 2023	\$ 133,228	\$ 366,139	\$ 1,891	\$ 11,828	\$ 13,070	\$ 97,942	\$ 624,098
Acquisitions	—	8,096	—	—	655	3,904	12,655
Disposals	—	—	—	—	(184)	(391)	(575)
Exchange effect	—	(2,186)	—	41	(13)	(481)	(2,639)
March 31, 2023	<u>\$ 133,228</u>	<u>\$ 372,049</u>	<u>\$ 1,891</u>	<u>\$ 11,869</u>	<u>\$ 13,528</u>	<u>\$ 100,974</u>	<u>\$ 633,539</u>
Accumulated depreciation :							
January 1, 2024	\$ 6,201	\$ 115,662	\$ 1,389	\$ 9,540	\$ 9,450	\$ 50,098	\$ 192,340
Acquisitions	—	3,086	68	269	355	7,919	11,697
Disposals	—	—	—	(4,474)	—	(3,014)	(7,488)
Exchange effect	—	2,462	—	136	276	1,419	4,293
March 31, 2024	<u>\$ 6,201</u>	<u>\$ 121,210</u>	<u>\$ 1,457</u>	<u>\$ 5,471</u>	<u>\$ 10,081</u>	<u>\$ 56,422</u>	<u>\$ 200,842</u>
January 1, 2023	\$ 6,201	\$ 104,241	\$ 1,371	\$ 9,515	\$ 8,465	\$ 64,793	\$ 194,586
Acquisitions	—	2,709	118	298	401	7,852	11,378
Disposals	—	—	—	—	(184)	(391)	(575)
Exchange effect	—	(411)	—	20	(8)	(332)	(731)
March 31, 2023	<u>\$ 6,201</u>	<u>\$ 106,539</u>	<u>\$ 1,489</u>	<u>\$ 9,833</u>	<u>\$ 8,674</u>	<u>\$ 71,922</u>	<u>\$ 204,658</u>

a. Depreciation is computed by the average method over these estimated service live plus one years to reflect estimated salvage value :

Buildings	10~55 years
Machinery and equipment	3 years
Transportation equipment	4~5 years
Furnitures	3~5 years
Other equipment	1~5 years

b.All the property, plant and equipment were pledged. Refer to Notes 17, 19 and 32.

13. Lease arrangements

a. Right-of-use assets

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Carrying amounts</u>			
Land	\$ 4,192	\$ 4,046	\$ 8,242
			<u>Land</u>
Cost :			
January 1, 2024			\$ 4,521
Acquisitions			—
Disposals and reclassification			—
Exchange effect			191
March 31, 2024			<u>\$ 4,712</u>
January 1, 2023			\$ 9,159
Acquisitions			—
Disposals and reclassification			—
Exchange effect			(78)
March 31, 2023			<u>\$ 9,081</u>
Accumulated depreciation :			
January 1, 2024			\$ 475
Depreciation			25
Disposals			—
Exchange effect			20
March 31, 2024			<u>\$ 520</u>
January 1, 2023			\$ 798
Depreciation			48
Disposals			—
Exchange effect			(7)
March 31, 2023			<u>\$ 839</u>

b. Material lease-in activities and terms

The Company leases certain leasehold land and buildings for the use of office with lease terms of 47 years. The Company does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

c. Subleases

The Company subleased part of its right-of-use assets for land in Chengdu, China under operating leases. Right-of-use assets that meet the definition of investment properties are reclassified to investment properties. Refer to Note 14 for further information on investment properties.

dd Other lease information

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Expenses relating to low-value asset leases	\$ 699	\$ 1,144
Total cash outflow for leases	\$ (699)	\$ (1,144)

The Company applies the recognition exemption to leases of equipment and others qualifying as short-term leases and low-value asset leases and does not recognize right-of-use assets and lease liabilities for these leases.

14. Investment Property

	<u>Buildings</u>	<u>Right-of-use assets</u>	<u>Subtotal</u>
Cost :			
January 1, 2024	\$ 290,400	\$ 10,709	\$ 301,109
Additional	—	—	—
Disposals and reclassification	—	—	—
Exchange effect	12,268	453	12,721
March 31, 2024	<u>\$ 302,668</u>	<u>\$ 11,162</u>	<u>\$ 313,830</u>
January 1, 2023	\$ 290,448	\$ 6,074	\$ 296,522
Additional	—	—	—
Disposals and reclassification	—	—	—
Exchange effect	(2,462)	(52)	(2,514)
March 31, 2023	<u>\$ 287,986</u>	<u>\$ 6,022</u>	<u>\$ 294,008</u>
Accumulated amortization and impairment :			
January 1, 2024	\$ 30,563	\$ 1,114	\$ 31,677
Depreciation	1,243	245	1,488
Disposals and reclassification	—	—	—
Exchange effect	1,306	51	1,357
March 31, 2024	<u>\$ 33,112</u>	<u>\$ 1,410</u>	<u>\$ 34,522</u>
January 1, 2023	\$ 25,017	\$ 465	\$ 25,482
Depreciation	1,374	29	1,403
Disposals and reclassification	—	—	—
Exchange effect	(207)	(3)	(210)
March 31, 2023	<u>\$ 26,184</u>	<u>\$ 491</u>	<u>\$ 26,675</u>

a. The Company's R&D building construction in Chengdu, China had been completed and transferred the cost of building to PP&E and investment properties according to estimated purpose, respectively. Because the market for comparable properties is inactive and alternative reliable measurements of fair value were not available; therefore, the Company determined that the fair value of the investment property is not reliably measurable.

b. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Rental income from investment property	\$ 2,632	\$ 2,902
Direct operating expenses arising from the investment property that generated rental income during the period	\$ 1,046	\$ 559
Direct operating expenses arising from the investment property that did not generate rental income during the period	\$ 442	\$ 844

c. The investment property was depreciated on a straight-line basis over its estimated lives as follows :

Buildings	47 years
Right-of-use assets	47 years

d. All the investment Property were not pledged.

15. Intangible Assets

	<u>Goodwill</u>	<u>Patents</u>	<u>Subtotal</u>
Cost :			
January 1, 2024	\$ 3,822	\$ 1,598	\$ 5,420
Additional	—	—	—
Disposals and reclassification	—	—	—
Exchange effect	74	31	105
March 31, 2024	<u>\$ 3,896</u>	<u>\$ 1,629</u>	<u>\$ 5,525</u>
January 1, 2023	\$ 3,896	\$ 1,611	\$ 5,507
Additional	—	—	—
Disposals and reclassification	—	—	—
Exchange effect	43	18	61
March 31, 2023	<u>\$ 3,939</u>	<u>\$ 1,629</u>	<u>\$ 5,568</u>
Accumulated amortization and impairment :			
January 1, 2024	\$ —	\$ 1,481	\$ 1,481
Amortization expenses	—	8	8
Disposals and reclassification	—	—	—
Exchange effect	—	30	30
March 31, 2024	<u>\$ —</u>	<u>\$ 1,519</u>	<u>\$ 1,519</u>
January 1, 2023	\$ —	\$ 1,457	\$ 1,457
Amortization expenses	—	25	25
Disposals and reclassification	—	—	—
Exchange effect	—	17	17
March 31, 2023	<u>\$ —</u>	<u>\$ 1,499</u>	<u>\$ 1,499</u>

a. Intangible assets were amortized on a straight-line basis over their estimated useful lives as follows:

Patents	5~10 years
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b. The Company's goodwill has been tested for impairment at the end of the annual reporting period and the recoverable amount is determined based on the value in use. The value in use was the recoverable amount calculated based on the cash flow forecast from financial

budgets and adequate discount rates. The Company determine whether the goodwill had suffered an impairment loss based on the procedures mentioned aboved and a cash-generating unit to which goodwill has been allocated should be tested for impairment annually.

16. Other noncurrent assets

	March 31, 2024	December 31, 2023	March 31, 2023
Capacity guarantee	\$ 43,610	\$ 169,470	\$ 181,278
Balance prepaid-machinery and equipment	99	23,195	23,002
Rental deposit	455	452	236
Others	1,443	1,443	1,443
	<u>\$ 45,607</u>	<u>\$ 194,560</u>	<u>\$ 205,959</u>

In order to ensure steady capacity, the Company entered into some capacity reservation contracts with suppliers and paid for the purchases over the long-term prepayments in order to ensure fulfillment to the contract. The long-term prepayment will be refunded when terms and conditions set forth in the contract have been satisfied.

17. Short-term loans

	March 31, 2024	December 31, 2023	March 31, 2023
Secured loans			
Bank loans	\$ 35,068	\$ 34,407	\$ —

a. The interest rates of revolving borrowings from banks for the three months ended March 31, 2024 was 3.65%.

b. The details of assets pledged as collateral for short-term loans are set in Notes 12,14 and 32.

c. Unused credit line as of September 30, 2023, December 31, 2022 and September 30, 2022, were amounted to NT\$216,438 thousand, NT\$214,620 thousand and NT\$120,000 thousand, respectively.

18. Other payables

	March 31, 2024	December 31, 2023	March 31, 2023
Salaries and wages payable	\$ 37,474	\$ 63,703	\$ 31,193
Employee's compensation and remuneration of directors payable	11,407	11,407	31,914
Service payable	3,892	3,320	3,764
Interest payable	39	38	827
Others	15,803	13,932	13,503
	<u>\$ 68,615</u>	<u>\$ 92,400</u>	<u>\$ 81,201</u>

19. Long-term loans(March 31, 2024 & December 31, 2023 : none.)

	March 31, 2023
Secured loans	\$ 30,400
Less : Current portion	(30,400)
	<u>\$ —</u>
Interest rate	<u>5.83% ~ 6.33%</u>
Expiration Year	<u>2023</u>

- a.Unused credit line as of March 31, 2023, were amounted to NT\$152,000 thousand, respectively.
- b.The details of assets pledged as collateral for long-term loans are set in Notes 12 and 32.

20. Retirement benefit plans

a. Defined contribution plans

The pension mechanism under the Labor Pension Act (the “Act”) is deemed a defined contribution plan. Pursuant to the Act, PTC and Princeton Capital Corp., have made monthly contributions equal to 6% of each employee’s monthly salary to employees’ pension accounts. Furthermore, Princeton Technology (Shenzhen) Ltd., Princeton Technology (Chengdu) Corp. and Chengdu Chip-Rail Microelectronics Co., Ltd. are required by local regulations to make monthly contributions at certain percentages of the basic salary of their employees. Pursuant to the aforementioned Act and local regulations, the Company recognized expenses of NT\$7,395 thousand and NT\$7,175 thousand in the consolidated statements of comprehensive income for the three months ended March 31, 2024 and 2023, respectively. The net pension cost under the Labor Pension Act amounted to NT\$1,808 thousand and NT\$1,772 thousand were not paid as of March 31, 2024 and 2023, respectively.

b. Defined benefit plans

PTC have defined benefit plans under the Labor Standards Law that provide benefits based on an employee’s length of service and average monthly salary for the six-month period prior to retirement. The aforementioned companies contribute an amount equal to 2% of salaries paid each month to their respective pension funds (the Funds), which are administered by the Labor Pension Fund Supervisory Committee (the Committee) and deposited in the Committee’s name in the Bank of Taiwan. Before the end of each year, the Company assesses the balance in the Funds. If the amount of the balance in the Funds is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The Funds are operated and managed by the government’s designated authorities; as such, the Company does not have any right to intervene in the investments of the Funds.

The pension costs of the aforementioned defined benefit plans were recognized in profit or loss by the following categories:

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Cost of goods sold	\$ 2	\$ 3
Marketing expenses	5	6
General and administrative expenses	19	23
Research and development expenses	31	37
	<u>\$ 57</u>	<u>\$ 69</u>

The Company expects to make contributions of NT\$2,094 thousand to the defined benefit plans in the next year starting from March 31, 2024.

21. Guarantee deposits

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Capacity guarantee	\$ 31,730	\$ 30,447	\$ 105,987
Others	5,134	4,864	2,844
	<u>\$ 36,864</u>	<u>\$ 35,311</u>	<u>\$ 108,831</u>

Capacity guarantee deposit mainly consisted of cash received under deposit agreements with customers to ensure they have access to the Company’s specified capacity. Guarantee deposits will be refunded to customers when terms and conditions set forth in the deposit agreements have been satisfied.

22. Equity

a. Capital

	March 31, 2024	December 31, 2023	March 31, 2023
Authorized shares (thousand shares)	230,000	230,000	230,000
Authorized	\$ 2,300,000	\$ 2,300,000	\$ 2,300,000
Issued and paid capital shares (thousand shares)	180,943.7	180,943.7	180,943.7
Issued	\$ 1,809,437	\$ 1,809,437	\$ 1,809,437

As of March 31, 2024, December 31, 2023 and March 31, 2023, the authorized capital shares are 230,000 thousand shares, with par value of \$10 per share entitled the right to vote and to receive dividends.

b. Capital surplus

	March 31, 2024	December 31, 2023	March 31, 2023
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (a)</u>			
Premiums	\$ 1,102	\$ 1,102	\$ 1,102
<u>May be used to offset a deficit only</u>			
Recognize changes in subsidiaries' ownership (b)	39	39	39
Share of changes in equities of associates and joint venture	68,190	68,190	28,063
<u>May not be used for any purpose</u>			
Employee stock options	4,592	4,592	4,592
	\$ 73,923	\$ 73,923	\$ 33,796

(a) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's paid-in capital and once a year).

(b) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary resulted from equity transactions other than actual disposal or acquisition, or from changes in capital surplus of subsidiaries accounted for by using equity method.

c. Retained earnings and dividend policy

According to the retained earnings distribution policy in the Incorporation of the Company, if the Company has earning upon settlement for a fiscal year, after taxes are paid by law and accumulated deficits are set off, ten percent shall be appropriated as legal earning reserves; however, if the amount of the legal earning reserves has attained the amount of paid-in capital of the Company, no further appropriation shall be made. The remainder shall be appropriated or reversed as special earning reserves. If there still has balance, considering together with accumulated undistributed earnings, the Board of Directors shall prepare the proposal for earning distribution, which shall be submitted to the stockholders' meeting for a resolution of distribution of dividends and bonuses to stockholders.

According the amended Article of Incorporation of the Company, the dividend policy of the Company is to deliberately distribute dividends, in the light of present and future development plan, taking into consideration the investment environments, fund demands, and domestic competition status, as well as factors of interests of stockholders; provided. However, the amount of proposed earning distribution of current year may not be less than 50% of accumulated distributable earnings. In distributing dividends and bonuses to

stockholders, the distribution may be made by stocks or cash, of which cash dividends may not be less than 50% of total amount of dividends.

The Company no longer has supervisors since June 13, 2008. The required duties of supervisors are being fulfilled by the Audit Committee.

The appropriation for legal capital reserve shall be made until the reserve equals the Company's paid-in capital. The reserve may be used to offset a deficit, or be distributed as dividends in cash or stocks for the portion in excess of 25% of the paid-in capital if the Company incurs no loss.

Pursuant to existing regulations, the Company is required to set aside additional special capital reserve equivalent to the net debit balance of the other components of stockholders' equity, such as the accumulated balance of foreign currency translation reserve, unrealized valuation gain/loss from available-for-sale financial assets, gain/loss from changes in fair value of hedging instruments in cash flow hedges, etc. For the subsequent decrease in the deduction amount to stockholders' equity, any special reserve appropriated may be reversed to the extent that the net debit balance reverses.

The appropriations of earnings for 2023 had been proposed by the Board of Directors on February 29, 2024. The Company's appropriation of earnings for 2022 was approved in the shareholders' meeting held on June 16, 2023. The appropriations and cash dividends per share were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2023	2022	2023	2022
Legal reserve	\$ 6,016	\$ 17,295		
Special reserve	8,698	37,193		
Cash dividend to shareholders	45,236	117,613	\$ 0.25	\$ 0.65
	<u>\$ 59,950</u>	<u>\$ 172,101</u>		

The appropriations of earnings for 2023 are to be resolved in the Company's shareholders' meeting to be held on June 18, 2024 (expected).

Information about the bonus to employees and remuneration to directors is available on the Market Observation Post System Website of the Taiwan Stock Exchange.

d. Others

(a) Foreign Currency Translation Reserve

	2024.01.01~2024.03.31	2023.01.01~2023.03.31
Balance, beginning of period	\$ (9,122)	\$ (118)
Foreign currency translation reserve	32,273	(5,753)
Share of other comprehensive loss of subsidiaries and associates	82	—
Income tax effect	(6,455)	1,150
Balance, end of period	<u>\$ 16,778</u>	<u>\$ (4,721)</u>

The exchange differences arising from the translation of foreign operation's net assets from its functional currency to PTC's presentation currency are recognized directly in other comprehensive income and also accumulated in the foreign currency translation reserve. When those foreign operation's net assets have been disposed of or are determined to be impaired subsequently, the related cumulative gains or losses in other comprehensive income are reclassified to profit or loss.

(b) Changes in Unrealized gain (loss) on financial assets at FVTOCI

	2024.01.01~2024.03.31	2023.01.01~2023.03.31
Balance, beginning of period	\$ (36,769)	\$ (37,075)
Changes in unrealized gain (loss) on financial assets at FVTOCI	(2,097)	329
Balance, end of period	<u>\$ (38,866)</u>	<u>\$ (36,746)</u>

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

e. Noncontrolling interests

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Balance, beginning of period	\$ 167,660	\$ 167,266
Share of noncontrolling interests:		
Net income (loss)	4,600	(1,717)
Other comprehensive income	<u>7,137</u>	<u>(1,426)</u>
Balance, end of period	<u>\$ 179,397</u>	<u>\$ 164,123</u>

23. Revenue

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Revenue from contracts with customers		
Net revenue from sale of goods	\$ 295,051	\$ 483,065
Net revenue from rendering of services	<u>—</u>	<u>3,545</u>
	<u>\$ 295,051</u>	<u>\$ 486,610</u>

Relevant information of revenue from contracts with customers for the three months ended March 31, 2024 and 2023 is as follows:

a. Disaggregation of revenue

The revenue of the Company could be breakdown by major products and geographical locations, the related information is refer to Note 40. The disaggregation of revenue recognition point is as follows:

	<u>2024.01.01~2024.03.31</u>	<u>2023.01.01~2023.03.31</u>
Revenue recognition point:		
At a point in time	\$ 295,051	\$ 483,065
Satisfies the performance obligation over time	<u>—</u>	<u>3,545</u>
	<u>\$ 295,051</u>	<u>\$ 486,610</u>

b. Contract balances

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Contract liabilities - current			
Sales of goods	<u>\$ 5,608</u>	<u>\$ 7,678</u>	<u>\$ 13,816</u>

The changes in the contract liability balances primarily result from the timing difference between the satisfaction of performance obligation and the customer's payment.

The Company recognized revenue from the beginning balance of contract liability, which amounted to NT\$4,796 thousand and NT\$17,201 thousand for the three months ended March 31, 2024 and 2023, respectively.

c. Transaction price allocated to unsatisfied performance obligations

As of March 31, 2024 and 2023, no disclosure of the unsatisfied performance obligations is needed as the contract terms with customers about the sales of goods are all shorter than one year.

d. Assets recognized from costs to fulfil a contact: None.

24. Additional information of expenses by nature

As of March 31, 2024, December 31, 2023 and March 31, 2023, the Company's employees numbered 323, 323 and 315, respectively, which included 7, 7 and 6 non-employee directors.

The Company's net income includes the following items:

	2024.01.01~2024.03.31			2023.01.01~2023.03.31		
	As cost of goods sold	As operating expenses	Total	As cost of goods sold	As operating expenses	Total
Employment expenses						
Salaries	\$ 1,421	\$ 73,556	\$ 74,977	\$ 1,217	\$ 75,799	\$ 77,016
Insurance	188	4,446	4,634	191	4,391	4,582
Pension						
Defined contribution plans	73	7,322	7,395	71	7,104	7,175
Defined benefit plans	2	55	57	3	66	69
Remuneration of directors	—	180	180	—	795	795
Others	105	3,289	3,394	141	2,188	2,329
	<u>\$ 1,789</u>	<u>\$ 88,848</u>	<u>\$ 90,637</u>	<u>\$ 1,623</u>	<u>\$ 90,343</u>	<u>\$ 91,966</u>
Depreciation expenses	<u>\$ 201</u>	<u>\$ 13,009</u>	<u>\$ 13,210</u>	<u>\$ 227</u>	<u>\$ 12,602</u>	<u>\$ 12,829</u>
Amortization expenses	<u>\$ —</u>	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ —</u>	<u>\$ 25</u>	<u>\$ 25</u>

In accordance with to the R.O.C. Company Act and the articles of incorporation of the Company, the Company shall allocate 5%~20% of profit as employees' profit sharing bonus and no more 1.5% of profit as directors' compensation for each profitable fiscal year. However, the Company's accumulated losses shall be reserved. The employees' profit sharing bonus under the preceding paragraph will be entitled to receive shares or cash. The employees of the PTC's subsidiaries who fulfill specific requirements finalized by the Board of Directors may be granted such bonus. The appropriations of profit sharing bonus to employees and compensation to directors shall be submitted to the stockholders' meeting. The Company loss of profit for the three months ended March 31, 2024, therefore the Company didn't accrue any compensation expenses. The Company's profit sharing bonus to employees and compensation to directors for the three months ended March 31, 2023 was accrued at NT\$ 8,741 thousand.

The differences of the amounts between the resolved and accrual amounts of the profit sharing bonus to employees and the compensation to directors resulted from changing the base of the estimate and had been adjusted in profit and loss for the next year.

Information about the profit sharing bonus to employees and compensation to directors is available on the Market Observation Post System Website of the Taiwan Stock Exchange.

25. Other income

	For the three months ended	
	March 31, 2024	March 31, 2023
Interest income		
Bank deposits	\$ 113	\$ 461
Others	—	1
	<u>\$ 113</u>	<u>\$ 462</u>

26. Other gains and losses

	For the three months ended	
	March 31, 2024	March 31, 2023
Other gains:		
Net gain on financial instruments at FVTPL	\$ 1,728	\$ 8,698
Gain on disposal of property, plant and equipment, net	96	—
Net exchange gain	10,602	2,107
Rent Income	2,632	2,902
Others	12,955	8,961
	<u>28,013</u>	<u>22,668</u>
Other losses:		
Others	—	(514)
	<u>—</u>	<u>(514)</u>
	<u>\$ 28,013</u>	<u>\$ 22,154</u>

27. Finance costs

	For the three months ended	
	March 31, 2024	March 31, 2023
Interest Expense		
Bank deposits	\$ 337	\$ 940

28. Income tax

a. Income tax expense (benefit) consisted of the following

(a) Income tax expense recognized in profit or loss:

	For the three months ended	
	March 31, 2024	March 31, 2023
Current income tax expense		
Current tax expense recognized for the current period	\$ 11	\$ 42
Deferred income tax expense		
Temporary differences	521	(3,510)
Income tax expense (benefit) recorded in profit or loss	\$ 532	\$ (3,468)

(b) Income tax expense (benefit) recognized in other comprehensive income:

	For the three months ended	
	March 31, 2024	March 31, 2023
Deferred income tax expense (benefit)		
Foreign currency translation reserve	\$ 6,455	\$ (1,150)

b. The differences between the expected income tax based on the pre-tax income at the statutory income tax rate and the actual (loss) income tax expense (benefit) reported in the accompanying statements of income are summarized as follows:

	For the three months ended	
	March 31, 2024	March 31, 2023
Expected income tax (benefit) expense calculated using the statutory tax rate	\$ (947)	\$ 3,606
Additional 5% income tax on the unappropriated earnings	11	42
Permanent differences	(30)	(1,557)
Tax loss carry forward	(468)	(8,255)
Loss recognized by equity method	1,661	2,353
Loss on decline in value of inventory	305	343
Income tax expense (benefit) recorded in profit or loss	\$ 532	\$ (3,468)

Princeton Technology (Shenzhen) Ltd. and Princeton Technology (Chengdu) Corp. amended income tax rate of 25% in accordance with the law of the “People’s Republic of China on Enterprise Income Tax” and related laws.

Princeton Technology (Chengdu) Corp. and Chengdu Chip-Rail Microelectronics Co., Ltd. meet the regulations has the local taxation bureau filed and approved the application of high-tech enterprises within three years from 2023 and 2022 had been approved to apply preferential tax rate is 15%.

c. Current tax assets and liabilities

	March 31, 2024	December 31, 2023	March 31, 2023
Current tax assets			
Income tax receivable	\$ 519	\$ 530	\$ 1,335

d. The analysis of deferred income tax in the consolidated balance sheets was as follows:

For the three months ended March 31, 2024	Balance, Beginning of Period	Recognized in			Exchange effect	Balance, End of Period
		Profit or Loss	Other Comprehensive Income			
Deferred income tax assets						
Loss on decline value of inventory	\$ 11,592	\$ (169)	\$ —		\$ 175	\$ 11,598
Unrealized intercompany profits	500	(10)	—		—	490
Others	1,390	(24)	—		33	1,399
	<u>\$ 13,482</u>	<u>\$ (203)</u>	<u>\$ —</u>		<u>\$ 208</u>	<u>\$ 13,487</u>
Deferred income tax liabilities						
Unrealized foreign exchange gain	\$ 887	\$ 318	\$ —		\$ —	\$ 1,205
Foreign currency translation reserve	2,095	—	6,455		—	8,550
Actuarial gains and losses on defined benefit plan	1,620	—	—		—	1,620
	<u>\$ 4,602</u>	<u>\$ 318</u>	<u>\$ 6,455</u>		<u>\$ —</u>	<u>\$ 11,375</u>

For the three months ended March 31, 2023	Balance, Beginning of Period	Recognized in			Exchange effect	Balance, End of Period
		Profit or Loss	Other Comprehensive Income			
Deferred income tax assets						
Loss on decline value of inventory	\$ 11,388	\$ (4)	\$ —		\$ 4	\$ 11,388
Unrealized intercompany profits	52	367	—		—	419
Unrealized foreign exchange loss	—	1,079	—		—	1,079
Others	1,211	13	—		6	1,230
	<u>\$ 12,651</u>	<u>\$ 1,455</u>	<u>\$ —</u>		<u>\$ 10</u>	<u>\$ 14,116</u>
Deferred income tax liabilities						
Unrealized foreign exchange gain	\$ 2,055	\$ (2,055)	\$ —		\$ —	\$ —
Foreign currency translation reserve	4,335	—	(1,150)		—	3,185
Actuarial gains and losses on defined benefit plan	1,336	—	—		—	1,336
	<u>\$ 7,726</u>	<u>\$ (2,055)</u>	<u>\$ (1,150)</u>		<u>\$ —</u>	<u>\$ 4,521</u>

e. Investment tax credits, tax loss carry forward and five-year exemption from tax on income from sales:

There were no unused investment tax credits available as of March 31, 2024.

Tax loss carry forward were as follows:

	Unused tax loss carry forward	Expiration date
PTC	\$ 55,637	December 31, 2034
Princeton Capital Corp.	53,203	December 31, 2034
Princeton Technology(Shenzhen) Corp.	5,638	December 31, 2034
Princeton Technology(Chengdu) Corp.	117,860	December 31, 2034
Chengdu Chip-Rail	35,255	December 31, 2032
	<u>\$ 267,593</u>	

f. Income tax examination

The tax authorities have examined income tax returns of PTC, Princeton Capital Corp. and CORTEX CORP. through 2021 and 2022.

29. Earning per shares

	For the three months ended	
	March 31, 2024	March 31, 2023
<u>Earning per shares</u>		
Basic EPS	\$ (0.15)	\$ 0.26
Diluted EPS	\$ (0.15)	\$ 0.26
<u>Net income</u>		
Net income used to compute the basic and diluted EPS	\$ (27,181)	\$ 47,703
	For the three months ended	
	March 31, 2024	March 31, 2023
<u>The number of common stocks</u> (in thousands)		
Weighted average number of common shares outstanding used in the computation of basic EPS	180,944	180,944
Effect of dilutive potential common shares:		
Compensation of employees	—	229
Weighted average number of common shares used in the computation of diluted EPS	180,944	181,173

30. Cash flow information

a. Non-cash transactions:

	For the three months ended	
	March 31, 2024	March 31, 2023
Additions of property, plant and equipment	\$ 31,146	\$ 12,655
Changes in prepaid to contractors and equipment suppliers	(23,096)	(5,856)
Changes in payables to contractors and equipment suppliers	(2)	(1)
Payments for acquisition of property, plant and equipment	\$ 8,048	\$ 6,798

b. Reconciliation of liabilities arising from financing activities:

For the three months ended March	Balance, Beginning of Period	Financing Cash Flow	Non-cash changes		Balance, End of Period
			Other Changes		
31, 2024					
Short-term loans	\$ 34,407	\$ —	\$ 661		\$ 35,068
Guarantee deposits	35,311	1,553	—		36,864
	\$ 69,718	\$ 1,553	\$ 661		\$ 71,932
For the three months ended March	Balance, Beginning of Period	Financing Cash Flow	Non-cash changes		Balance, End of Period
31, 2023					
Long-term loans	\$ 91,980	\$ (60,800)	\$ (780)		\$ 30,400
Guarantee deposits	110,035	(1,204)	—		108,831
	\$ 202,015	\$ (62,004)	\$ (780)		\$ 139,231

31. Related-party transactions

Intercompany balances and transactions between PTC and its subsidiaries, which are related parties of PTC, have been eliminated upon consolidation; therefore those items are not disclosed in this note. The following is a summary of transactions between the Company and other related parties:

a. Related party name and nature of relationship

<u>Related Parties</u>	<u>Relationship</u>
Morelink Technology Corporation	Associates
Foresight Energy Technology Co., Ltd.	Associates
All directors, supervisors, general manager and deputy general manager	Main manager echelon of the Company

b. Sales

	<u>For the three months ended</u>	
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Associates	\$ —	\$ 53

The sales to the above related parties were dealt with in the ordinary course of business with the sales price made in the way similar to the sales to third-party customers. The collection period for the third-party customers was 60~90 days, while the terms for related parties, associates was 60 days.

c. Others

	<u>Account</u>	<u>For the three months ended</u>	
		<u>March 31, 2023</u>	<u>March 31, 2022</u>
Associates	Other revenue	\$ 286	\$ 186

d. Receivables

	<u>March</u>	<u>December</u>	<u>March</u>
	<u>31, 2023</u>	<u>31, 2022</u>	<u>31, 2022</u>
Accounts receivables			
Associates	\$ —	\$ —	\$ 55
Other receivables			
Associates	\$ 100	\$ 65	\$ 65

e. Others

The situation of the cash capital increase and investment increase of the involved parties of the Company is as follows :

	<u>For the three months ended</u>							
	<u>March 31, 2024</u>				<u>March 31, 2023</u>			
	<u>Increase investment</u>		<u>%</u>		<u>Increase investment</u>		<u>%</u>	
	<u>Shares</u>	<u>Carrying value</u>	<u>Before</u>	<u>After</u>	<u>Shares</u>	<u>Carrying value</u>	<u>Before</u>	<u>After</u>
Foresight Energy Technology Co., Ltd.	—	\$ —	—	—	615	\$ 14,760	15.84%	13.99%

f. Compensation of key management personnel

	<u>For the three months ended</u>	
	<u>March 31, 2024</u>	<u>March 31, 2023</u>
Short-term employee benefits	\$ 1,993	\$ 6,557
Retirement benefits	54	54
	\$ 2,047	\$ 6,611

The information about the Company's appropriation of remuneration to all directors, supervisors, general manager and deputy general manager is available on the shareholders' meeting annual report.

32.Assets mortgaged or pledged

As of March 31, 2024, December 31, 2023 and March 31, 2023, the following assets had been pledged or mortgaged as collateral:

	March 31, 2024	December 31, 2023	March 31, 2023
Buildings	\$ 113,772	\$ 109,748	\$ 43,729
Investment Property	258,022	248,896	—
Other financial assets-bank deposits	2,037	2,031	2,070
Land	—	—	116,748
	<u>\$ 373,831</u>	<u>\$ 360,675</u>	<u>\$ 162,547</u>

33.Significant contingent liabilities and unrecognized commitments

- 1.Under certain agreement, the Company shall pay royalties at a percentage of net sales (as defined in the agreement) with respect to certain products.
- 2.As of March 31, 2024, the amounts of endorsements and guarantees (provided to each entity in the Group) was US\$500 thousand and CNY \$10,000 thousand
- 3.In order to ensure steady capacity, the Company entered into some capacity reservation contracts with suppliers and paid for the purchases over the long-term prepayments in order to ensure fulfillment to the contract. The long-term prepayment will be refunded when terms and conditions set forth in the contract have been satisfied.

34.Significant loss: None.

35.Subsequent events: None.

36.Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximize the stockholders' value.

The management reviews the capital structure of the Company quarterly. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. According to the management's suggestion, the Company maintains a balanced capital structure through paying cash dividends, increasing its share capital, purchasing treasury stock, proceeds from new debt or repayment of debt.

37.Disclosure of financial instruments

a.Fair values of financial instruments :

	March 31, 2024	December 31, 2023	March 31, 2023
<u>Financial assets</u>			
FVTPL			
Mandatorily classified financial assets as at FVTPL	\$ 326,099	\$ 381,525	\$ 212,122
FVTOCI			
Equity instruments	51,066	51,281	8,530
Financial assets measured at amortized cost (Note 1)	746,746	742,216	1,026,692
	<u>\$ 1,123,911</u>	<u>\$ 1,175,022</u>	<u>\$ 1,247,344</u>
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost (Note 2)	\$ 231,752	\$ 274,624	\$ 372,534

Note 1: Including cash and cash equivalents, contract assets, notes & accounts receivable-net, other receivables, refundable deposit and other financial assets.

Note 2: Including short-term loans, notes & accounts payable, other payables, long-term loans (including current portion), refundable deposits and other financial liabilities.

b. Fair value of financial instruments

(a) The Fair value measurements are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 inputs are unobservable inputs for the asset or liability.

(b) Fair value of financial instruments carried at amortized cost

The Company considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

(c) Fair value of financial instruments

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value:

	March 31, 2024			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Wealth management products	\$ —	\$ 195,870	\$ —	\$ 195,870
Mutual funds	51,509	—	—	51,509
Listed stocks	32,076	—	—	32,076
Limited partnerships	—	—	46,644	46,644
	<u>\$ 83,585</u>	<u>\$ 195,870</u>	<u>\$ 46,644</u>	<u>\$ 326,099</u>
<u>Financial assets at FVTOCI</u>				
Listed stocks through private placement	\$ —	\$ —	\$ 1,068	\$ 1,068
Non-publicly traded stocks	—	—	49,998	49,998
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 51,066</u>	<u>\$ 51,066</u>
	December 31, 2023			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Wealth management products	\$ —	\$ 255,945	\$ —	\$ 255,945
Mutual funds	50,857	—	—	50,857
Listed stocks	32,432	—	—	32,432
Limited partnerships	—	—	42,291	42,291
	<u>\$ 83,289</u>	<u>\$ 255,945</u>	<u>\$ 42,291</u>	<u>\$ 235,301</u>
<u>Financial assets at FVTOCI</u>				
Listed stocks through private placement	\$ —	\$ —	\$ 2,175	\$ 2,175
Unlisted equity investment	—	—	49,106	49,106
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 51,281</u>	<u>\$ 51,281</u>

	March 31, 2023			
	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Financial products	\$ —	\$ 116,486	\$ —	\$ 116,486
Mutual funds	45,078			45,078
Listed stocks	29,532	—	—	29,532
Limited partnerships			21,026	21,026
	<u>\$ 74,610</u>	<u>\$ 116,486</u>	<u>\$ 21,026</u>	<u>\$ 212,122</u>
<u>Financial assets at FVTOCI</u>				
Listed stocks through private placement	\$ —	\$ —	\$ 4,090	\$ 4,090
Non-publicly traded stocks	—	—	4,440	4,440
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 8,530</u>	<u>\$ 8,530</u>

There were no transfers between Level 1 and 2 for the three months ended March 31, 2024 and 2023.

(d) Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes publicly traded stocks and money market funds).
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.
- The fair values of private funds are determined using the asset based approach. The Company assesses that the amount of its net assets attributable to its investment approaches the fair value of the equity investment. The Company assesses the total value of the individual assets and liabilities covered by the target to reflect the overall value of the business.

(e) Reconciliation of Level 3 recurring fair value measurements of financial instruments:

	Financial Assets at FVTPL	Financial Assets at FVTOCI	Subtotal
For the three months ended March 31, 2024			
Balance, beginning of Period	\$ 42,291	\$ 51,281	\$ 93,572
Additional/ Disposals	4,500	—	4,500
Recognized in profit or loss	(147)	—	(147)
Recognized in other comprehensive income	—	(2,097)	(2,097)
Exchange effect	—	1,882	1,882
Balance, end of Period	<u>\$ 46,644</u>	<u>\$ 51,066</u>	<u>\$ 97,710</u>
For the three months ended March 31, 2023			
Balance, beginning of Period	\$ 20,995	\$ 8,201	\$ 29,196
Additional/ Disposals	—	—	—
Recognized in profit or loss	31	—	31
Recognized in other comprehensive income	—	329	329
Balance, end of Period	<u>\$ 21,026</u>	<u>\$ 8,530</u>	<u>\$ 29,556</u>

(f) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement:

As of March 31, 2024:

Financial assets :

Financial assets at FVTOCI :

	Valuation technique	Significant unobservable inputs	Quantitative information	Interrelationship between inputs and fair value	Sensitivity analysis of the inputs to fair value
Stock	Market Approach	Price-Book ratio of similar entities	3.71	The higher the Price-Book ratio of similar entities, the higher the fair value estimated	10% increase (decrease) in the Price-Book ratio of similar entities would result in an increase (decrease) in equity by NT\$107thousand
Stock	Assets Approach	Lack of marketability and Price-Book ratio of similar entities	1.88-32.01	The higher the lack of marketability, the lower the fair value estimated	10% increase (decrease) in the Price-Book ratio of the equity instruments would result in an increase (decrease) in equity by NT\$399thousand

As of December 31, 2023:

Financial assets :

Financial assets at FVTOCI :

	Valuation technique	Significant unobservable inputs	Quantitative information	Interrelationship between inputs and fair value	Sensitivity analysis of the inputs to fair value
Stock	Market Approach	Price-Book ratio of similar entities	7.55	The higher the Price-Book ratio of similar entities, the higher the fair value estimated	10% increase (decrease) in the Price-Book ratio of similar entities would result in an increase (decrease) in equity by NT\$217thousand
Stock	Assets Approach	Lack of marketability and Price-Book ratio of similar entities	2.69-38.36	The higher the lack of marketability, the lower the fair value estimated	10% increase (decrease) in the Price-Book ratio of the equity instruments would result in an increase (decrease) in equity by NT\$435thousand

As of March 31, 2023:

Financial assets :

Financial assets at FVTOCI :

	Valuation technique	Significant unobservable inputs	Quantitative information	Interrelationship between inputs and fair value	Sensitivity analysis of the inputs to fair value
Stock	Market Approach	Price-Book ratio of similar entities	14.20	The higher the Price-Book ratio of similar entities, the higher the fair value estimated	10% increase (decrease) in the Price-Book ratio of similar entities would result in an increase (decrease) in equity by NT\$409thousand
Stock	Assets Approach	Lack of marketability and Price-Book ratio of similar entities	0.78-32.90	The higher the lack of marketability, the lower the fair value estimated	10% increase (decrease) in the Price-Book ratio of the equity instruments would result in an increase (decrease) in equity by NT\$444thousand

c. Financial risk management objectives

The Company seeks to ensure sufficient cost-efficient funding readily available when needed.

The Company manages its exposure to foreign currency risk, interest rate risk, equity price risk, credit risk and liquidity risk with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

The plans for material treasury activities are reviewed by Audit Committees and/or Board of Directors in accordance with procedures required by relevant regulations or internal controls. During the implementation of such plans, Corporate Treasury function must comply with certain treasury procedures that provide guiding principles for overall financial risk management and segregation of duties.

d. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market prices comprise foreign currency risk, interest rate risk and other price risk.

(a) Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities and the Company's net investments in foreign subsidiaries. Some assets and liabilities of the Company denominated in the same foreign currency and were expected to mostly offset gains or losses of changes in foreign exchange rate. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Company.

The carrying amounts of significant foreign currency denominated monetary assets and monetary liabilities are as follows:

	March 31, 2023		December 31, 2022		March 31, 2022	
	Foreign Currency (thousand)	Exchange Rate	Foreign Currency (thousand)	Exchange Rate	Foreign Currency (thousand)	Exchange Rate
(Foreign currencies : functional currency)						
<u>Financial Assets</u>						
<u>Monetary items</u>						
USD : TWD	\$ 9,810	31.95	\$ 15,653	30.655	\$ 19,055	30.40
JPY : TWD	41,660	0.2095	35,661	0.2152	13,756	0.2268
CNY : USD	167,492	0.1372	159,333	0.1403	157,587	0.1458
HKD : TWD	5	4.059	5	3.899	5	3.849
EUR : TWD	2	34.26	2	33.78	2	32.95
<u>Non-monetary items</u>						
CNY : USD	\$ 152,229	0.1515	\$ 151,829	0.1516	\$ 153,959	0.1518
USD : CNY	1,440	31.95	1,460	30.655	—	—
<u>Investments accounted for under the equity method</u>						
USD : TWD	\$ 28,346	31.95	\$ 28,697	30.655	\$ 29,652	30.40
<u>Financial Liabilities</u>						
<u>Monetary items</u>						
USD : TWD	\$ 4,778	32.05	\$ 4,013	30.755	\$ 8,300	30.50
JPY : TWD	1,190	0.2135	1,232	0.2192	—	0.2308
CNY : USD	27,432	0.1372	28,622	0.1403	29,306	0.1458

The Company's sensitivity analysis to foreign currency risk mainly focuses on the foreign currency monetary items at the end of the reporting period. Assuming appreciation / depreciation of 1% in the foreign exchanges against the New Taiwan dollar, the net (loss) income for the three months ended March 31, 2024 and 2023 would have decreased /increased by NT\$7,853 thousand and NT\$8,988 thousand, respectively.

(b)Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's loans at floating interest rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Sensitivity analysis of interest is calculated based on the financial liabilities exposed to cash flow interest rate risk at the end of each reporting period.

If interest rates had been 0.25% higher/lower, the Company's net (loss) income for the three months ended March 31, 2024 and 2023 would increase/decrease by \$3 thousand and NT\$13 thousand, respectively.

(c)Other price risk

The Company were exposed to equity price risk through their investments in Financial assets at FVTPL.

A change of 5% in the price of the listed stocks classified under at fair value through profit or loss could cause the net (loss) income for three months ended March 31, 2024 and 2023 to increase/decrease by NT\$4,179 thousand and NT\$3,731 thousand..

The sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3 of the fair value hierarchy. Please refer to Note 37.

e.Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from operating activities, primarily trade receivables, and from financing activities, primarily deposits, fixed-income investments and other financial instruments with banks. Credit risk is managed separately for business related and financial related exposures.

(a)Business related credit risk

In order to maintain the credit quality of trade receivables, the Company has established procedures to monitor and limit exposure to credit risk on trade receivables.

Credit evaluation is performed in the consideration of the relevant factors which may affects the customer's paying ability such as financial condition, external and internal credit scoring, historical experience, and economic conditions. The Company holds some of the credit enhancements such as prepayments and collateral to mitigate its credit risks.

As of March 31, 2024, December 31, 2023 and March 31, 2023, the Company's ten largest customers accounted for 81%, 82% and 88% of total trade receivables, respectively.

(b)Financial credit risk

The Company's exposure to financial credit risk which pertained to bank deposits, fixed income investments and other financial instruments were evaluated and monitored by Corporate Treasury function. The Company only deals with creditworthy counterparties and banks so that no significant credit risk was identified.

f.Liquidity risk

The objective of liquidity risk management is to ensure the Company has sufficient liquidity to fund its business requirements of cash and cash equivalents and the unused of financing facilities associated with existing operations.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

March 31, 2024					
	Less Than 1 Year	2-3 Years	4 to 5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Short-term loans	\$ 35,068	\$ —	\$ —	\$ —	\$ 35,068
Other payables	91,205	—	—	—	91,205
Long-term loans (including current portion)	68,615	—	—	—	68,615
	<u>\$ 194,888</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 194,888</u>
December 31, 2023					
	Less Than 1 Year	2-3 Years	4 to 5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Short-term loans	\$ 34,407	\$ —	\$ —	\$ —	\$ 34,407
Accounts payable (including related parties)	112,506	—	—	—	112,506
Other payables	92,400	—	—	—	92,400
	<u>\$ 239,313</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 239,313</u>
March 31, 2023					
	Less Than 1 Year	2-3 Years	4 to 5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>					
Accounts payable (including related parties)	\$ 152,102	\$ —	\$ —	\$ —	\$ 152,102
Other payables	81,201	—	—	—	81,201
Long-term loans (including current portion)	30,400	—	—	—	30,400
	<u>\$ 263,703</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 263,703</u>

38.Reclassifications

Certain 2023 accounts have been reclassified to conform to the 2024 financial statement presentation. As a result, no significant impact on the financial statements.

39.Additional disclosures

Following are the additional disclosures:

- a.Financial provided : Table 1 (attached)
- b.Endorsement/guarantee provided : Table 2 (attached)
- c.Marketable securities held (excluding investments in subsidiaries and jointly controlled entities): Table 3 (attached)
- d.Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital : None
- e.Acquisition of individual real estates at costs of at least NT\$300 million or 20% of the paid-in capital : None
- f.Disposal of individual real estates at costs of at least NT\$300 million or 20% of the paid-in capital : None
- g.Total purchase from or sale to related parties amounting to at least NT\$100 million or 20% of the paid-in capital : None

- h.Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital : None
- i.Derivate financial transaction : None
- j.Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 4 (attached)
- k.Names, locations and related information of investees on which the Company exercises significant influence : Table 5 (attached)
- l.Investment in Mainland China : Table 6 (attached)
- m.Information of major shareholder : Table 7 (attached)

40.Operating segments information

- a.The Company mainly develops, design, testing and sales of high quality, high value-added consumer integrated circuits (ICs) and operates in the IC design industry only.

- b.Major product and service revenue:

	For the three months ended	
	March 31, 2024	March 31, 2023
Integrated circuits (ICs) revenue	\$ 295,051	\$ 483,065
Design revenue	—	3,545
	<u>\$ 295,051</u>	<u>\$ 486,610</u>

- c.Operations in different geographic areas :

Area	2024.01.01~2024.03.31		2023.01.01~2023.03.31	
	Revenue	Noncurrent assests	Revenue	Noncurrent assests
Japan	\$ 80,880	\$ —	\$ 328,745	\$ —
Mainland China(including HK)	189,241	538,769	128,260	529,676
Taiwan	13,571	305,285	22,149	412,109
Korea	4,097	—	2,776	—
Other	7,262	—	4,680	—
	<u>\$ 295,051</u>	<u>\$ 844,054</u>	<u>\$ 486,610</u>	<u>\$ 941,785</u>

- d.Major customers with sales at least 10% of the Company's total sales were as follows:

	2024.01.01~2024.03.31		2023.01.01~2023.03.31	
	Amount	Percentage of net sales	Amount	Percentage of net sales
C16	\$ 64,015	21.70	\$ 182,781	37.56
C3	845	0.29	110,931	22.80
	<u>\$ 64,860</u>	<u>21.99</u>	<u>\$ 293,712</u>	<u>60.36</u>

Table 1

Financial provided

For the three months ended March 31, 2024

(Amounts in Thousands of New Taiwan Dollars and RMB Dollars, unless otherwise specified)

No	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance (Note 1)	Amount Actually Drawn	Interest Rate	Nature for Financing	Transaction Amounts	Reason for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Notes 3)	Financing Company's Total Financing Amount Limits (Notes 4)
													Item	Value		
1	Princeton Technology (Shenzhen) Ltd..	Princeton Technology (Chengdu) Corp.	Other receivables from related parties	Yes	RMB30,000	RMB30,000	—	—	Note 2	—	Operating capital	—	—	—	144,252	180,316

Note1 : The maximum balance for the period and ending balance represent the amounts approved by the Board of Directors.

Note2 : The need for short-term financing.

Note3 : The amount that can be financing limits for each borrowing company is 40% of the guarantor's net assets.

$$(NT\$ 360,631 \times 40\% = NT\$144,252)$$

Note4 : The amount that can be Financing Company's total financing is 50% of the guarantor's net assets.

$$(NT\$ 360,631 \times 50\% = NT\$180,316)$$

Table 2

Endorsement/guarantee provided

For the three months ended March 31, 2024

(Amounts in Thousands of New Taiwan Dollars and US Dollars, unless otherwise specified)

No	Endorser/ guarantor	Counter-party		Limits on endorsement/ guarantee amount provided to each guaranteed party	Maximum balance for the period	Ending balance	Amount actually drawn	Value of collaterals property, plant, or equipment	Ratio of accumulated amount of collateral to net equity as shown in the latest financial statement	Maximum collateral/ guarantee amounts allowable	The holding company to subsidiary	Subsidiary to holding company	Endorsement/ guarantee t in Mainland China
		Name	Nature of relationship with the endorser/guarant or										
0	Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	Equity-method investee of Princeton Silicon Inc.	919,964	USD 500 CNY10,000	USD 500 CNY10,000	—	—	2.93%	1,001,739	Y	—	Y

Note1 : The maximum amount that can be guaranteed to individual counter-party is 45% of the guarantor's net assets.

(NT\$ 2,044,365× 45% = NT\$919,964)

Note2 : The maximum amount that can be guaranteed is 49% of the guarantor's net assets.

(NT\$ 2,044,365× 49% = NT\$1,001,739)

Table 3

Marketable securities held

For the three months ended March 31, 2024

(Shares in thousands ,Amounts in Thousands of New Taiwan Dollars, unless specified)

Investor	Description of Stock		Relationship with the Investor	Financial statement account	March 31, 2023			
					Shares	Carrying value	Percentage of ownership	Fair Value
Princeton Technology Corp.	Common stock	Innorich Venture Capital Corp.	—	Financial assets at FVTOCI	1,500	3,990	—	3,990
Princeton Capital Corp.	Fund	Capital Money Market Fund	—	Financial assets at FVTPL- current	1,219	20,287	—	20,287
Princeton Capital Corp.	Fund	Taishin 1699 Money Market Fund	—	Financial assets at FVTPL- current	1,451	20,296	—	20,296
Princeton Capital Corp.	Fund	Eastspring Investments Optimal Income Fund of Funds A TWD	—	Financial assets at FVTPL- current	449	5,803	—	5,803
Princeton Capital Corp.	Fund	KGI Real Assets Multi-asset Fund - TWD A	—	Financial assets at FVTPL- current	500	5,123	—	5,123
Princeton Capital Corp.	Common stock	Advanced Microelectronic Products Inc.	—	Financial assets at FVTPL- current	56	775	—	775
Princeton Capital Corp.	Common stock	Unifosa Corporation	—	Financial assets at FVTPL- current	2,566	31,301	—	31,301
Princeton Capital Corp.	Limited partnership	Foryou Private Equity Limited Partnership	—	Financial assets at FVTPL – non current	—	16,359	—	16,359
Princeton Capital Corp.	Limited partnership	Qingfeng Capital Venture Capital Limited Partnership	—	Financial assets at FVTPL – non current	—	30,285	—	30,285
Princeton Capital Corp.	Common stock	Advanced Microelectronic Products Inc.	—	Financial assets at FVTOCI	288	1,068	—	1,068
Princeton Technology (Shenzhen)Ltd.	Financial products	Fubon bank (China) co., Ltd Structured deposits Yue Hui Ying	—	Financial assets at FVTPL- current	25,170	112,450	—	112,450
Chengdu Chip-Rail Microelectronics Co.,Ltd.	Financial products	Bank of Communications contains wealth-type structured deposits 7day	—	Financial assets at FVTPL- current	2,000	8,768	—	8,768
Chengdu Chip-Rail Microelectronics Co.,Ltd.	Financial products	Bank of Communications Yuntong Wealth Term Structured Deposit for 28days	—	Financial assets at FVTPL- current	17,000	74,652	—	74,652
Princeton Silicon LTD	Unlisted equity investment	ARK HDPS SEMICONDUCTOR PTE. (Shenzhen) Ltd.	—	Financial assets at FVTOCI	—	46,008	3.07%	46,008

Table 4

Significant intercompany transactions between consolidated entities

For the three months ended March 31, 2024

(Shares in thousands ,Amounts in Thousands of New Taiwan Dollars, unless specified)

Related Party	Counterparty	Relationship with the Company(Note1)	Transactions			
			Account	Amount	Terms	Percentage of consolidated operating revenues or consolidated total assets (Note 2)
Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	1	Sales	83,317	No significant difference	28.24%
Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	1	Purchase	5,109	No significant difference	1.73%
Princeton Technology Corp.	Princeton Technology (Chengdu) Corp.	1	Manufacturing expenses	585	No significant difference	0.20%
Princeton Technology Corp.	Princeton Technology (Shenzhen) Ltd.	1	Accounts receivable	90,924	No significant difference	3.66%
Princeton Technology Corp.	Princeton Technology (Shenzhen) Ltd.	1	Accounts payable	1,732	No significant difference	0.07%
Princeton Technology (Shenzhen) Ltd.	Princeton Technology (Chengdu) Corp.	2	Service incomes	4,566	No significant difference	1.55%
Princeton Technology (Shenzhen) Ltd.	Princeton Technology (Chengdu) Corp.	2	Accounts receivable	1,589	No significant difference	0.06%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Sales	7,366	No significant difference	2.50%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Purchase	551	No significant difference	0.19%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Rental incomes	312	No significant difference	0.11%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Accounts receivable	627	No significant difference	0.03%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Other incomes	88	No significant difference	0.03%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Accounts payable	2,268	No significant difference	0.09%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Contract liability	5,260	No significant difference	0.21%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Other advances	258	No significant difference	0.01%
Princeton Technology (Chengdu) Corp.	Chengdu Chip-Rail Microelectronics Co., Ltd.	2	Refundable deposits	333	No significant difference	0.01%
Princeton Technology (Chengdu) Corp.	Princeton Technology (Shenzhen) Ltd.	2	Rental incomes	144	No significant difference	0.05%

Note 1: Transactions are categorized as follows:

1. The holding company to subsidiary.
2. The subsidiary company to subsidiary.

Note 2: The percentage with respect to the consolidated asset/liability for transactions of balance sheet items are based on each item's balance at period-end. For profit or loss items, cumulative balances are used as basis.

Table 5

Name, locations, and other information of investee on which the company exercises significant influence

For the three months ended March 31, 2024

(Amounts in Thousands of New Taiwan Dollars and Chinese Yuan, unless otherwise specified)

Investor	Investee	Location	Main business and products	Original investment amount		Balance as of March 31, 2024			Net income (loss) of the investee	Equity in net income (net loss)
				Mar 31, 2024	Dec 31, 2023	Shares (in thousand)	Percentage of ownership	Carrying value		
Princeton Technology Corp.	Princeton Silicon LTD	Hong Kong	Holding company	1,056,197	1,056,197	33,500	100.00%	949,293	(4,914)	(4,276)
Princeton Technology Corp.	Princeton Capital Corp.	Taiwan	Investment holding	150,000	150,000	15,000	100.00%	200,505	(1,225)	(1,225)
Princeton Technology Corp.	Microlink Communications Inc.	Taiwan	Wireless communications products research , manufacture and sales & marketing	80,000	80,000	8,000	25.00%	—	(891)	—
Princeton Technology Corp	Morelink Technology Corporation	Taiwan	Wireless communications products and Electronic components maintenance & sales; Importer of Restricted RF/Telecom device	15,800	15,800	1,580	7.87%	2,005	(11,360)	(894)
Princeton Technology Corp	Foresight Energy Technology Co., LTD	Taiwan	Electronic components and battery manufacturing, Electric equipment wholesale, Electronic material wholesale and sales	13,442	13,442	1,344	2.59%	16,823	(21,764)	(563)
Princeton Capital Corp.	Foresight Energy Technology Co., LTD	Taiwan	Electronic components and battery manufacturing, Electric equipment wholesale, Electronic material wholesale and sales	40,905	40,905	3,229	6.21%	40,418	(21,764)	(1,351)
Princeton Technology (Shenzhen)Ltd.	Chengdu Chip-Rail Microelectronics Co ., Ltd.	China	Computer systems development, IC design, computer hardware and software design and technical services	RMB 16,530	RMB 16,530	6,375	51.00%	RMB 40,349	RMB 2,156	RMB 1,100

Table 6
Investment in Mainland China
For the three months ended March 31, 2024
(Amounts in Thousands of New Taiwan Dollars and US Dollars, unless otherwise specified)

Investee	Main business and products	Total amount of paid-in capital	Investment type	Accumulated outflow of investment from Taiwan as of December 31, 2023	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2024	Net income of the investee	% Ownership director or indirect investment	Investment gain(loss)	Carrying value as of March 31, 2023	Accumulated inward remittance of earnings as of March 31, 2024
					Outflow	Inflow						
Princeton Technology (Shenzhen) Ltd.	IC sales, design & marketing and software research; the research and development of separators for lithium-ion batteries; communications equipment technical consulting and after-sale service	417,942 (USD13,000)	Indirect : Through Princeton Silicon Inc(a wholly owned subsidiary of Princeton Technology Corp.)	417,942 (USD13,000)	—	—	417,942 (USD13,000)	2,130 (USD 67)	100%	2,149	360,631	—
Princeton Technology (Chengdu) Corp.	IC design and software research, technology transfer, technical consulting, after-sales service; modular design of electronic systems, development and sale; IC sale, import and export, communications equipment research, sales, import and export, technical consulting, after-sale service; lithium-ion batteries research, sales, import and export; own house rental	591,690 (USD19,000)	Indirect : Through Princeton Silicon Inc(a wholly owned subsidiary of Princeton Technology Corp.)	591,690 (USD19,000)	—	—	591,690 (USD19,000)	(6,403) (USD(203))	100%	(6,431)	545,028	—
ARK HDPS SEMICONDUCTOR PTE. (Shenzhen) Ltd.	R&D and sales of semiconductors, testing equipment, automation equipment, electromechanical equipment and related equipment, materials and consumables; related technical consulting, technology transfer and scientific and technological services; technology development, technology transfer and technical services in the field of new energy; import and export related matters	RMB10,905	Indirect : Through Princeton Silicon Inc(a wholly owned subsidiary of Princeton Technology Corp.)	—	43,343 (USD1,396)	—	43,343 (USD1,396)	(45,834) (RMB (1,452))	3.07%	Note2	46,008	—

Accumulated investment in Mainland China as of March 31, 2023	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment defined by Investment Commission, MOEA(Note1)
1,052,975(USD 33,396)	1,056,197(USD 33,500)	1,226,619

Note1: Recognition of the upper limit was based on reviewed financial statement as of March 31, 2024. The limit was NT\$1,226,619 (NT\$2,044,365× 60% = NT\$1,226,619)

Note2: Financial assets measured at FVTOCI – non- current.

Table 7

Information on major shareholders

For the three months ended March 31, 2024

Shareholders	Shares	
	Total Shares Owned (In Thousands)	Ownership Percentage
Chiang Tsang An	11,557	6.38%

Note1 :The Table discloses shareholding information of shareholders whose shareholding percentage is more than 5%. The Taiwan Depository & Clearing Corporation (TDCC) calculates the total number of ordinary shares and special shares (including treasury shares) that have completed the dematerialized registration and delivery on the last business day of the quarter. The share capital reported in the Company's consolidated financial statements and the actual number of shares that have completed the dematerialized registration and delivery may be different due to difference in the basis of calculation.