

**NAN YA PRINTED CIRCUIT BOARD  
CORPORATION AND SUBSIDIARIES**

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Six Months Ended June 30, 2024 and 2023**

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

## Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Review Report	3
4. Consolidated Balance Sheets	4
5. Consolidated Statements of Comprehensive Income	5
6. Consolidated Statements of Changes in Equity	6
7. Consolidated Statements of Cash Flows	7
8. Notes to the Consolidated Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the consolidated financial statements	8
(3) New standards, amendments and interpretations adopted	8~10
(4) Summary of material accounting policies	10~11
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	11
(6) Explanation of significant accounts	11~30
(7) Related-party transactions	30~34
(8) Pledged assets	34
(9) Commitments and contingencies	34
(10) Losses Due to Major Disasters	35
(11) Subsequent Events	35
(12) Other	35
(13) Other disclosures	
(a) Information on significant transactions	36~37
(b) Information on investees	37
(c) Information on investment in mainland China	37~38
(d) Major shareholders	38
(14) Segment information	38~39



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## Independent Auditors' Review Report

To the Board of Directors of  
Nan Ya Printed Circuit Board Corporation:

### Introduction

We have reviewed the accompanying consolidated balance sheets of Nan Ya Printed Circuit Board Corporation and its subsidiaries as of June 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2024 and 2023, as well as the changes in equity and cash flows for the six months ended June 30, 2024 and 2023, and 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 Standard 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 the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the 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 conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Nan Ya Printed Circuit Board Corporation and its subsidiaries as of June 30, 2024 and 2023, and of its consolidated financial performance for the three months and six months ended June 30, 2024 and 2023, as well as its consolidated cash flows for the six months ended June 30, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Kuo, Hsin-Yi and Lee, Tzu-Hui.

KPMG

Taipei, Taiwan (Republic of China)  
August 6, 2024

**Notes to Readers**

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**

**Consolidated Balance Sheets**

**June 30, 2024, December 31 and June 30, 2023**

**(Expressed in Thousands of New Taiwan Dollars)**

		<b>June 30, 2024</b>		<b>December 31, 2023</b>		<b>June 30, 2023</b>				<b>June 30, 2024</b>		<b>December 31, 2023</b>		<b>June 30, 2023</b>	
<b>Assets</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Liabilities and equity</b>		<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
<b>Current assets:</b>								<b>Current liabilities:</b>							
1100	Cash and cash equivalents (note 6(a))	\$ 11,844,114	17	12,329,798	17	22,517,212	28	2130	Current contract liabilities (note 6(m))	\$ 2,218,144	3	1,991,749	3	1,983,869	2
1120	Current financial assets at fair value through other comprehensive income	172,270	-	237,283	-	256,757	-	2170	Accounts payable	1,712,689	3	2,731,645	4	4,089,392	5
1170	Notes and accounts receivable, net (notes 6(b) and (m))	6,545,766	10	6,849,920	10	8,491,771	11	2180	Accounts payable to related parties (note 7)	282,533	1	330,321	-	291,359	-
1180	Accounts receivable due from related parties (notes 6(b), (m) and 7)	46,944	-	47,714	-	81,011	-	2216	Dividends payable	3,553,910	5	-	-	11,630,978	14
1200	Other receivables (note 6(c))	619,715	1	612,646	1	306,091	-	2219	Other payables	1,732,040	3	2,746,138	4	2,477,831	3
1210	Other receivables due from related parties (notes 6(c) and 7)	14,552	-	2,302	-	59,962	-	2220	Other payables to related parties (note 7)	64,935	-	36,206	-	30,713	-
1310	Inventories (note 6(d))	3,919,540	6	3,896,223	6	4,773,991	6	2230	Current tax liabilities	66	-	849,868	1	823,848	1
1470	Prepayments and other current assets	213,621	-	498,301	1	178,866	-	2281	Current lease liabilities (note 6(h))	4,673	-	9,588	-	12,003	-
	<b>Total current assets</b>	<u>23,376,522</u>	<u>34</u>	<u>24,474,187</u>	<u>35</u>	<u>36,665,661</u>	<u>45</u>	2282	Current lease liabilities, related parties (notes 6(h) and 7)	253,331	-	246,114	-	244,831	-
<b>Non-current assets:</b>								2300	Other current liabilities	<u>207,799</u>	<u>-</u>	<u>158,806</u>	<u>-</u>	<u>238,455</u>	<u>-</u>
1550	Investments accounted for using equity method (note 6(e))	481,130	1	486,857	1	486,969	1		<b>Total current liabilities</b>	<u>10,030,120</u>	<u>15</u>	<u>9,100,435</u>	<u>12</u>	<u>21,823,279</u>	<u>25</u>
1600	Property, plant and equipment (note 6(f))	42,107,083	62	43,106,634	61	41,994,339	51	<b>Non-current liabilities:</b>							
1755	Right-of-use assets (notes 6(g) and 7)	1,592,488	2	1,707,192	2	1,838,877	2	2527	Non-current contract liabilities (note 6(m))	6,624,274	10	7,233,676	11	7,871,450	10
1840	Deferred tax assets	403,326	1	647,139	1	818,600	1	2570	Deferred tax liabilities	3,411,642	5	3,441,505	5	3,308,627	4
1900	Other non-current assets	9,933	-	15,436	-	16,170	-	2581	Non-current lease liabilities (note 6(h))	1,113	-	2,216	-	5,786	-
	<b>Total non-current assets</b>	<u>44,593,960</u>	<u>66</u>	<u>45,963,258</u>	<u>65</u>	<u>45,154,955</u>	<u>55</u>	2582	Non-current lease liabilities, related parties (notes 6(h) and 7)	1,321,328	2	1,435,463	2	1,558,842	2
								2640	Net defined benefit liability, non-current	1,089,972	2	1,112,644	2	1,575,435	2
								2645	Guarantee deposits received	<u>308,155</u>	<u>-</u>	<u>203,590</u>	<u>-</u>	<u>134,718</u>	<u>-</u>
									<b>Total non-current liabilities</b>	<u>12,756,484</u>	<u>19</u>	<u>13,429,094</u>	<u>20</u>	<u>14,454,858</u>	<u>18</u>
									<b>Total liabilities</b>	<u>22,786,604</u>	<u>34</u>	<u>22,529,529</u>	<u>32</u>	<u>36,278,137</u>	<u>43</u>
								<b>Equity (note 6(k)):</b>							
								3100	Ordinary shares	6,461,655	9	6,461,655	9	6,461,655	8
								3200	Capital surplus	18,125,615	27	18,125,615	26	18,125,576	22
								3310	Legal reserve	8,473,910	12	7,857,185	11	7,857,185	10
								3320	Special reserve	1,112,574	2	761,647	1	761,647	1
								3350	Unappropriated retained earnings	11,259,003	16	15,814,388	23	13,544,922	17
								3400	Other equity interest	<u>(248,879)</u>	<u>-</u>	<u>(1,112,574)</u>	<u>(2)</u>	<u>(1,208,506)</u>	<u>(1)</u>
									<b>Total equity</b>	<u>45,183,878</u>	<u>66</u>	<u>47,907,916</u>	<u>68</u>	<u>45,542,479</u>	<u>57</u>
<b>Total assets</b>		<u>\$ 67,970,482</u>	<u>100</u>	<u>70,437,445</u>	<u>100</u>	<u>81,820,616</u>	<u>100</u>	<b>Total liabilities and equity</b>		<u>\$ 67,970,482</u>	<u>100</u>	<u>70,437,445</u>	<u>100</u>	<u>81,820,616</u>	<u>100</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
**For the three months and six months ended June 30, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)**

		For the three months ended June 30,				For the six months ended June 30,			
		2024		2023		2024		2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	<b>Operating revenue (notes 6(m) and 7)</b>	\$ 8,120,606	100	10,133,643	100	15,221,178	100	22,714,300	100
5000	<b>Operating costs (notes 6(d), (f), (g), (h), (i), (n) and 7)</b>	<u>7,937,110</u>	<u>98</u>	<u>8,211,435</u>	<u>81</u>	<u>15,418,149</u>	<u>101</u>	<u>17,074,210</u>	<u>75</u>
	<b>Gross profit from operations</b>	<u>183,496</u>	<u>2</u>	<u>1,922,208</u>	<u>19</u>	<u>(196,971)</u>	<u>(1)</u>	<u>5,640,090</u>	<u>25</u>
	<b>Operating expenses (notes 6(b), (f), (g), (h), (i), (n) and 7):</b>								
6100	Selling expenses	66,915	1	104,918	1	157,097	1	245,197	1
6200	Administrative expenses	<u>323,552</u>	<u>4</u>	<u>373,168</u>	<u>4</u>	<u>646,910</u>	<u>4</u>	<u>785,616</u>	<u>4</u>
6000	<b>Total operating expenses</b>	<u>390,467</u>	<u>5</u>	<u>478,086</u>	<u>5</u>	<u>804,007</u>	<u>5</u>	<u>1,030,813</u>	<u>5</u>
6900	<b>Net operating (loss) income</b>	<u>(206,971)</u>	<u>(3)</u>	<u>1,444,122</u>	<u>14</u>	<u>(1,000,978)</u>	<u>(6)</u>	<u>4,609,277</u>	<u>20</u>
	<b>Non-operating income and expenses (notes 6(e), (f), (h), (o) and 7):</b>								
7100	Interest income	71,040	1	119,848	1	143,700	1	185,411	1
7010	Other income	181,625	2	64,538	1	371,792	2	131,632	-
7020	Other gains and losses	129,742	2	342,559	3	413,454	3	190,846	1
7050	Finance costs	(4,454)	-	(4,950)	-	(9,006)	-	(9,976)	-
7060	Share of profit of associates accounted for using equity method	<u>8,639</u>	<u>-</u>	<u>6,791</u>	<u>-</u>	<u>19,248</u>	<u>-</u>	<u>14,078</u>	<u>-</u>
	<b>Total non-operating income and expenses</b>	<u>386,592</u>	<u>5</u>	<u>528,786</u>	<u>5</u>	<u>939,188</u>	<u>6</u>	<u>511,991</u>	<u>2</u>
7900	<b>(Loss) profit before tax</b>	179,621	2	1,972,908	19	(61,790)	-	5,121,268	22
7950	Less: Tax (benefit) expense (note 6(j))	<u>61,024</u>	<u>1</u>	<u>400,368</u>	<u>3</u>	<u>(27,967)</u>	<u>-</u>	<u>1,223,487</u>	<u>5</u>
8200	<b>(Loss) profit</b>	<u>118,597</u>	<u>1</u>	<u>1,572,540</u>	<u>16</u>	<u>(33,823)</u>	<u>-</u>	<u>3,897,781</u>	<u>17</u>
8300	<b>Other comprehensive income (notes 6(e), (j) and (k)):</b>								
8310	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>								
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income	(34,154)	-	(20,662)	-	(65,013)	-	(19,849)	-
8320	Share of other comprehensive income of associates accounted for using equity method	(4,477)	-	(1,464)	-	(13,035)	-	2,858	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>	<u>(38,631)</u>	<u>-</u>	<u>(22,126)</u>	<u>-</u>	<u>(78,048)</u>	<u>-</u>	<u>(16,991)</u>	<u>-</u>
8360	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>								
8361	Exchange differences on translation	246,058	3	(651,024)	(7)	1,177,179	8	(537,334)	(2)
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>49,212</u>	<u>1</u>	<u>(130,204)</u>	<u>(1)</u>	<u>235,436</u>	<u>2</u>	<u>(107,466)</u>	<u>-</u>
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>	<u>196,846</u>	<u>2</u>	<u>(520,820)</u>	<u>(6)</u>	<u>941,743</u>	<u>6</u>	<u>(429,868)</u>	<u>(2)</u>
8300	<b>Other comprehensive income, net</b>	<u>158,215</u>	<u>2</u>	<u>(542,946)</u>	<u>(6)</u>	<u>863,695</u>	<u>6</u>	<u>(446,859)</u>	<u>(2)</u>
8500	<b>Total comprehensive income</b>	<u>\$ 276,812</u>	<u>3</u>	<u>1,029,594</u>	<u>10</u>	<u>829,872</u>	<u>6</u>	<u>3,450,922</u>	<u>15</u>
	<b>Earnings per share (note 6(l))</b>								
9750	<b>Basic earnings per share</b>	<u>\$ 0.18</u>		<u>2.43</u>		<u>(0.05)</u>		<u>6.03</u>	
9850	<b>Diluted earnings per share</b>	<u>\$ 0.18</u>		<u>2.43</u>		<u>(0.05)</u>		<u>6.03</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Equity**  
**For the six months ended June 30, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

						Other equity interest			
						Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total	Total equity
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings				
<b>Balance at January 1, 2023</b>	\$ 6,461,655	18,125,608	5,896,621	861,246	23,139,084	(744,544)	(17,103)	(761,647)	53,722,567
Profit for the six months ended June 30, 2023	-	-	-	-	3,897,781	-	-	-	3,897,781
Other comprehensive income for the six months ended June 30, 2023	-	-	-	-	-	(429,868)	(16,991)	(446,859)	(446,859)
Total comprehensive income for the six months ended June 30, 2023	-	-	-	-	3,897,781	(429,868)	(16,991)	(446,859)	3,450,922
Appropriation and allocation of earnings:									
Legal reserve appropriated	-	-	1,960,564	-	(1,960,564)	-	-	-	-
Reversal of special reserve	-	-	-	(99,599)	99,599	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(11,630,978)	-	-	-	(11,630,978)
Other changes in capital surplus:									
Other changes in capital surplus	-	(32)	-	-	-	-	-	-	(32)
<b>Balance at June 30, 2023</b>	<u>\$ 6,461,655</u>	<u>18,125,576</u>	<u>7,857,185</u>	<u>761,647</u>	<u>13,544,922</u>	<u>(1,174,412)</u>	<u>(34,094)</u>	<u>(1,208,506)</u>	<u>45,542,479</u>
<b>Balance at January 1, 2024</b>	\$ 6,461,655	18,125,615	7,857,185	761,647	15,814,388	(1,056,659)	(55,915)	(1,112,574)	47,907,916
Loss for the six months ended June 30, 2024	-	-	-	-	(33,823)	-	-	-	(33,823)
Other comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	941,743	(78,048)	863,695	863,695
Total comprehensive income for the six months ended June 30, 2024	-	-	-	-	(33,823)	941,743	(78,048)	863,695	829,872
Appropriation and allocation of earnings:									
Legal reserve appropriated	-	-	616,725	-	(616,725)	-	-	-	-
Special reserve appropriated	-	-	-	350,927	(350,927)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(3,553,910)	-	-	-	(3,553,910)
<b>Balance at June 30, 2024</b>	<u>\$ 6,461,655</u>	<u>18,125,615</u>	<u>8,473,910</u>	<u>1,112,574</u>	<u>11,259,003</u>	<u>(114,916)</u>	<u>(133,963)</u>	<u>(248,879)</u>	<u>45,183,878</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**  
**For the six months ended June 30, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>For the six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
<b>(Loss) profit before tax</b>	\$ (61,790)	5,121,268
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit:</b>		
Depreciation expense	3,217,301	2,768,601
Interest expense	9,006	9,976
Interest income	(143,700)	(185,411)
Share of profit of associates accounted for using equity method	(19,248)	(14,078)
(Gain) loss on disposal of property, plant and equipment	(337)	38,988
Reversal of impairment loss on non-financial assets	(75)	(13)
Unrealized foreign exchange gain	(43,680)	(149,888)
<b>Total adjustments to reconcile profit</b>	<u>3,019,267</u>	<u>2,468,175</u>
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
Decrease in notes and accounts receivable (including related parties)	330,332	6,418,351
Decrease (increase) in other receivables (including related parties)	41,422	(65,619)
(Increase) decrease in inventories	(26,305)	1,029,656
Decrease in prepayments	18,332	148,778
<b>Total changes in operating assets</b>	<u>363,781</u>	<u>7,531,166</u>
<b>Changes in operating liabilities:</b>		
(Decrease) increase in contract liabilities	(383,007)	1,144,462
Decrease in accounts payable (including related parties)	(1,066,796)	(919,394)
Decrease in other payables (including related parties)	(985,369)	(1,103,470)
Increase in other current liabilities	48,993	17,883
Decrease in net defined benefit liabilities	(22,672)	(326,652)
<b>Total changes in operating liabilities</b>	<u>(2,408,851)</u>	<u>(1,187,171)</u>
<b>Total changes in operating assets and liabilities</b>	<u>(2,045,070)</u>	<u>6,343,995</u>
<b>Total adjustments</b>	<u>974,197</u>	<u>8,812,170</u>
Cash inflow generated from operations	912,407	13,933,438
Interest received	136,598	171,240
Interest paid	(9,006)	(9,976)
Income taxes paid	(872,256)	(3,299,963)
<b>Net cash flows from operating activities</b>	<u>167,743</u>	<u>10,794,739</u>
<b>Cash flows used in investing activities:</b>		
Acquisition of financial assets at fair value through other comprehensive income	-	(276,606)
Acquisition of property, plant and equipment	(1,326,722)	(7,801,447)
Proceeds from disposal of property, plant and equipment	6,666	21,396
Decrease in other financial assets	277,922	-
Decrease (increase) in other non-current assets	5,503	(4,573)
<b>Net cash flows used in investing activities</b>	<u>(1,036,631)</u>	<u>(8,061,230)</u>
<b>Cash flows used in financing activities:</b>		
Increase in guarantee deposits received	104,565	5,643
Payment of lease liabilities	(130,902)	(126,879)
<b>Net cash flows used in financing activities</b>	<u>(26,337)</u>	<u>(121,236)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>409,541</u>	<u>(139,178)</u>
<b>Net (decrease) increase in cash and cash equivalents</b>	(485,684)	2,473,095
<b>Cash and cash equivalents at beginning of period</b>	<u>12,329,798</u>	<u>20,044,117</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>\$ 11,844,114</u></u>	<u><u>22,517,212</u></u>

See accompanying notes to consolidated financial statements.



(English Translation of Consolidated Financial Statements Originally Issued in Chinese)  
**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to the Consolidated Financial Statements**  
**For the Six Months Ended June 30, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)**

**(1) Company history**

Nan Ya Printed Circuit Board Corporation “the Company” was legally established with the approval by the Ministry of Economic Affairs on October 28, 1997, with registered address at 7F., No. 390, Sec. 6, Nanjing E. Rd., Neihu Dist., Taipei City, Taiwan. The Company and its subsidiaries “the Group” main operating activities are primarily in the manufacturing and selling of printed circuit boards.

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

The accompanying consolidated financial statements were approved and authorized for issuance by the Board of Directors on August 6, 2024 .

**(3) New standards, amendments and interpretations adopted:**

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

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

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

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS21 “Lack of Exchangeability”

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

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

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

<b>Standards or Interpretations</b>	<b>Content of amendment</b>	<b>Effective date per IASB</b>
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> <li>• A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities.</li> <li>• Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>• Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.</li> </ul>	January 1, 2027

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

(Continued)

## NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11

#### (4) Summary of material accounting policies

##### (a) Statement of compliance

The accompanying consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the Regulations) and IAS 34 “Interim Financial Reporting” which was endorsed by the FSC. These consolidated interim financial statements do not include all disclosures required for full annual consolidated financial statements under International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations as endorsed by the FSC (hereinafter referred to as IFRS endorsed by the FSC).

Except as described below, the significant accounting policies adopted in the accompanying consolidated financial statements are the same as those in the consolidated financial statements as of and for the year ended December 31, 2023. Please refer to note 4 of the consolidated financial statements as of and for the year ended December 31, 2023 relevant information.

##### (b) Basis of consolidation

###### (i) List of subsidiaries in the consolidated financial statements include:

Investor	Name of subsidiary	Business activity	Percentage of ownership (%)		
			June 30, 2024	December 31, 2023	June 30, 2023
The Company	NPUC	Selling and other services	100 %	100 %	100 %
The Company	NPHK	Selling and investing in electronic products	100 %	100 %	100 %
NPHK	NPKC	Producing and selling PCB	100 %	100 %	100 %

###### (ii) Subsidiaries excluded from the consolidated financial statements: None.

##### (c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Accounting Standards 34 “Interim Financial Reporting”.

Income tax expenses for the period are best estimated by multiplying the pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management, and allocated to current and deferred taxes based on its proportionate size.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time the asset or liability is recovered or settled, and should be recognized directly in equity or other comprehensive income as tax expense.

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

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 “Interim Financial Reporting” and endorsed by the FSC) requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2023. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2023.

**(6) Explanation of significant accounts**

Except as described below, the description of significant accounts in the accompanying consolidated financial statements is not materially different from those in the consolidated financial statements as of and for the year ended December 31, 2023. Please refer to note 6 of the consolidated financial statements as of and for the year ended December 31, 2023 for relevant information.

(a) Cash and cash equivalents

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Cash on hand	\$ 3	-	1
Cash in banks	1,356,140	5,829,891	10,066,186
Time deposits	8,902,302	2,403,402	11,152,174
Cash equivalents	<u>1,585,669</u>	<u>4,096,505</u>	<u>1,298,851</u>
	<b><u>\$ 11,844,114</u></b>	<b><u>12,329,798</u></b>	<b><u>22,517,212</u></b>

Please refer to note 6(p) for the interest rate risk and sensitivity analysis of the consolidated financial assets and liabilities of the Group.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(b) Notes and accounts receivables

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Notes receivable	\$ 4,348	2,170	-
Accounts receivable—non-related parties-measured at amortized cost	6,564,422	6,870,754	8,539,725
Accounts receivable—related parties-measured at amortized cost	46,944	47,714	81,011
Less: Loss allowance	(23,004)	(23,004)	(47,954)
	<u><u>\$ 6,592,710</u></u>	<u><u>6,897,634</u></u>	<u><u>8,572,782</u></u>

As of June 30, 2024, December 31 and June 30, 2023, the Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes receivable and accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information.

	<b>June 30, 2024</b>		
	<b>Notes and Accounts receivables gross carrying amount</b>	<b>Weighted average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 6,541,016	0.334%	21,879
Past due within 3 months	65,099	1.383%	900
Past due 3 to 6 months	9,595	2.345%	225
Past due 6 to 12 months	4	0.000%	-
	<u><u>\$ 6,615,714</u></u>		<u><u>23,004</u></u>

	<b>December 31, 2023</b>		
	<b>Notes and Accounts receivables gross carrying amount</b>	<b>Weighted average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 6,840,123	0.321%	21,970
Past due within 3 months	80,487	1.285%	1,034
Past due 3 to 6 months	28	0.000%	-
	<u><u>\$ 6,920,638</u></u>		<u><u>23,004</u></u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

	<b>June 30, 2023</b>		
	<b>Accounts receivables gross carrying amount</b>	<b>Weighted average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 8,387,840	0.393%	32,943
Past due within 3 months	212,139	1.559%	3,307
Past due 6 to 12 months	20,757	56.386%	11,704
	<b>\$ 8,620,736</b>		<b>47,954</b>

The movements in the allowance for notes and accounts receivable were as follows:

	<b>For the six months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
Balance at the end of the period (i.e. balance at the beginning of the period)	<b>\$ 23,004</b>	<b>47,954</b>

As of June 30, 2024, December 31 and June 30, 2023, the Group did not provide any notes and accounts receivable as collateral for its loans.

(c) Other receivables

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Other receivables—related parties	\$ 14,552	2,302	59,962
Tax refund receivable	579,901	584,092	257,724
Others	39,814	28,554	48,367
	<b>\$ 634,267</b>	<b>614,948</b>	<b>366,053</b>

For further credit risk information, please refers to note 6(p).

(d) Inventories

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Finished goods	\$ 505,112	730,810	859,718
Work in process	2,131,168	1,883,362	2,395,090
Raw materials	811,370	788,959	882,357
Supplies	471,890	493,092	636,826
	<b>\$ 3,919,540</b>	<b>3,896,223</b>	<b>4,773,991</b>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

The details of costs of sales were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Inventory that has been sold	\$ 6,879,587	8,211,428	13,247,124	17,074,276
Write-down of inventories (Reversal of write-downs)	2,193	7	2,256	(66)
Unapportioned manufacturing expenses	<u>1,055,330</u>	<u>-</u>	<u>2,168,769</u>	<u>-</u>
	<u><u>\$ 7,937,110</u></u>	<u><u>8,211,435</u></u>	<u><u>15,418,149</u></u>	<u><u>17,074,210</u></u>

For the six months ended June 30, 2024, the write-down of inventories amounted to \$2,256.

For the six months ended June 30, 2023, net realizable value of inventories has increased due to the increase in market price, the reversal of write-downs amounted to \$66.

As of June 30, 2024, December 31 and June 30, 2023, the Group did not provide any inventories as collateral for its loan.

(e) Investments accounted for using the equity method

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

	June 30, 2024	December 31, 2023	June 30, 2023
Associates	\$ <u><u>481,130</u></u>	<u><u>486,857</u></u>	<u><u>486,969</u></u>

The Group's financial information on investments accounted for using the equity method that are individually insignificant was as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Attributable to the Group:				
Net income	\$ 8,639	6,791	19,248	14,078
Other comprehensive income	<u>(4,477)</u>	<u>(1,464)</u>	<u>(13,035)</u>	<u>2,858</u>
Total comprehensive income	<u><u>\$ 4,162</u></u>	<u><u>5,327</u></u>	<u><u>6,213</u></u>	<u><u>16,936</u></u>

As of June 30, 2024, December 31 and June 30, 2023, the Group did not provide any investments accounted for using the equity method as collateral for its loans.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(f) Property, plant and equipment

The cost and accumulated depreciation and impairment of the property, plant and equipment of the Group were as follows:

	<u>Building</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Miscellaneous equipment</u>	<u>Unfinished construction and equipment pending acceptance</u>	<u>Total</u>
<b>Cost:</b>						
Balance as of January 1, 2024	\$ 4,509,673	66,306,779	23,337	6,121,650	8,312,379	85,273,818
Additions	-	121,895	297	33,368	1,171,162	1,326,722
Disposals	-	(572,881)	(849)	(12,431)	-	(586,161)
Reclassification	58,916	1,180,487	-	51,600	(1,291,003)	-
Effect of exchange rate changes	<u>113,807</u>	<u>1,469,260</u>	<u>153</u>	<u>10,839</u>	<u>7,474</u>	<u>1,601,533</u>
Balance as of June 30, 2024	<u><b>\$ 4,682,396</b></u>	<u><b>68,505,540</b></u>	<u><b>22,938</b></u>	<u><b>6,205,026</b></u>	<u><b>8,200,012</b></u>	<u><b>87,615,912</b></u>
Balance as of January 1, 2023	\$ 4,504,351	53,921,399	20,571	4,571,856	14,092,674	77,110,851
Additions	-	209,037	3,463	46,333	7,542,614	7,801,447
Disposals	-	(937,826)	-	(22,906)	-	(960,732)
Reclassification	41,826	12,730,002	720	1,399,147	(14,171,695)	-
Effect of exchange rate changes	<u>(53,154)</u>	<u>(668,046)</u>	<u>(84)</u>	<u>(4,891)</u>	<u>(7,212)</u>	<u>(733,387)</u>
Balance as of June 30, 2023	<u><b>\$ 4,493,023</b></u>	<u><b>65,254,566</b></u>	<u><b>24,670</b></u>	<u><b>5,989,539</b></u>	<u><b>7,456,381</b></u>	<u><b>83,218,179</b></u>
<b>Accumulated depreciation and impairment:</b>						
Balance as of January 1, 2024	\$ 3,012,110	35,363,801	12,622	3,778,651	-	42,167,184
Depreciation for the period	84,786	2,859,504	1,009	137,894	-	3,083,193
Reversal of impairment loss	-	(75)	-	-	-	(75)
Disposals	-	(566,896)	(849)	(12,087)	-	(579,832)
Reclassification	-	220	-	(220)	-	-
Effect of exchange rate changes	<u>77,882</u>	<u>751,670</u>	<u>120</u>	<u>8,687</u>	<u>-</u>	<u>838,359</u>
Balance as of June 30, 2024	<u><b>\$ 3,174,778</b></u>	<u><b>38,408,224</b></u>	<u><b>12,902</b></u>	<u><b>3,912,925</b></u>	<u><b>-</b></u>	<u><b>45,508,829</b></u>
Balance as of January 1, 2023	\$ 2,871,867	33,289,354	12,043	3,670,810	-	39,844,074
Depreciation for the period	81,181	2,451,398	901	103,953	-	2,637,433
Reversal of impairment loss	-	(13)	-	-	-	(13)
Disposals	-	(878,444)	-	(21,904)	-	(900,348)
Reclassification	-	(174)	-	174	-	-
Effect of exchange rate changes	<u>(34,781)</u>	<u>(316,629)</u>	<u>(63)</u>	<u>(5,833)</u>	<u>-</u>	<u>(357,306)</u>
Balance as of June 30, 2023	<u><b>\$ 2,918,267</b></u>	<u><b>34,545,492</b></u>	<u><b>12,881</b></u>	<u><b>3,747,200</b></u>	<u><b>-</b></u>	<u><b>41,223,840</b></u>
<b>Carrying amounts:</b>						
Balance as of June 30, 2024	<u><b>\$ 1,507,618</b></u>	<u><b>30,097,316</b></u>	<u><b>10,036</b></u>	<u><b>2,292,101</b></u>	<u><b>8,200,012</b></u>	<u><b>42,107,083</b></u>
Balance as of December 31, 2023	<u><b>\$ 1,497,563</b></u>	<u><b>30,942,978</b></u>	<u><b>10,715</b></u>	<u><b>2,342,999</b></u>	<u><b>8,312,379</b></u>	<u><b>43,106,634</b></u>
Balance as of June 30, 2023	<u><b>\$ 1,574,756</b></u>	<u><b>30,709,074</b></u>	<u><b>11,789</b></u>	<u><b>2,242,339</b></u>	<u><b>7,456,381</b></u>	<u><b>41,994,339</b></u>

For gains and losses on disposals, please refer to note 6(o).

(Continued)



**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(g) Right-of-use assets

The Group leases assets including land and buildings, as recognized right-of-use assets. Information about leases for which the Group as a lessee was presented below:

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
<b>Cost:</b>			
Balance as of January 1, 2024	\$ 419,435	2,135,615	2,555,050
Additions	-	9,284	9,284
Change in an index of lease payment	8,682	-	8,682
Effect of exchange rate changes	<u>1,717</u>	<u>-</u>	<u>1,717</u>
Balance as of June 30, 2024	<u><b>\$ 429,834</b></u>	<u><b>2,144,899</b></u>	<u><b>2,574,733</b></u>
Balance as of January 1, 2023	\$ 386,040	2,135,615	2,521,655
Additions	6,542	-	6,542
Change in an index of lease payment	27,410	-	27,410
Effect of exchange rate changes	<u>(802)</u>	<u>-</u>	<u>(802)</u>
Balance as of June 30, 2023	<u><b>\$ 419,190</b></u>	<u><b>2,135,615</b></u>	<u><b>2,554,805</b></u>
<b>Accumulated depreciation:</b>			
Balance as of January 1, 2024	\$ 163,316	684,542	847,858
Depreciation for the period	36,418	97,690	134,108
Effect of exchange rate changes	<u>279</u>	<u>-</u>	<u>279</u>
Balance as of June 30, 2024	<u><b>\$ 200,013</b></u>	<u><b>782,232</b></u>	<u><b>982,245</b></u>
Balance as of January 1, 2023	\$ 93,315	491,559	584,874
Depreciation for the period	34,676	96,492	131,168
Effect of exchange rate changes	<u>(114)</u>	<u>-</u>	<u>(114)</u>
Balance as of June 30, 2023	<u><b>\$ 127,877</b></u>	<u><b>588,051</b></u>	<u><b>715,928</b></u>
<b>Carrying amount:</b>			
Balance as of June 30, 2024	<u><b>\$ 229,821</b></u>	<u><b>1,362,667</b></u>	<u><b>1,592,488</b></u>
Balance as of December 31, 2023	<u><b>\$ 256,119</b></u>	<u><b>1,451,073</b></u>	<u><b>1,707,192</b></u>
Balance as of June 30, 2023	<u><b>\$ 291,313</b></u>	<u><b>1,547,564</b></u>	<u><b>1,838,877</b></u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(h) Lease liabilities

The carrying amount of the lease liabilities was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Current	\$ <u>258,004</u>	<u>255,702</u>	<u>256,834</u>
Non-current	\$ <u>1,322,441</u>	<u>1,437,679</u>	<u>1,564,628</u>

For the maturity analysis, please refer to note 6(p).

The amounts recognized in profit or loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Interest on lease liabilities	\$ <u>4,108</u>	<u>4,715</u>	<u>8,351</u>	<u>9,560</u>
Variable lease payment not included in the measurement of lease liabilities; expenses relating to short-term leases; expenses relating to leases of low-value assets	\$ <u>8,004</u>	<u>11,860</u>	<u>16,354</u>	<u>25,071</u>

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

	For the six months ended June 30,	
	2024	2023
Total cash outflow for leases	\$ <u>155,607</u>	<u>161,510</u>

(i) Real estate leases

The Group leases land and buildings to be used for its office space and plants, which typically runs for a period of 2 to 10 years.

(ii) Other leases

The Group leases machinery and equipment with contract periods within a year. These leases are short-term leases or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(i) Employee benefits

(i) Defined benefit plan

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2023 and 2022.

The pension expenses recorded were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Operating costs	\$ 5,061	8,625	10,124	17,286
Selling expenses	208	328	410	637
Administrative expenses	828	1,347	1,659	2,675
	<u>\$ 6,097</u>	<u>10,300</u>	<u>12,193</u>	<u>20,598</u>

(ii) Defined contribution plan

The pension costs contributed to the related authority were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Operating costs	\$ 111,565	119,708	217,465	242,651
Selling expenses	1,977	1,922	3,987	3,698
Administrative expenses	15,066	15,833	29,301	32,551
	<u>\$ 128,608</u>	<u>137,463</u>	<u>250,753</u>	<u>278,900</u>

(j) Income tax

(i) The details of income tax (benefit) expense were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Current income tax (benefit) expense	\$ 23,229	341,000	(26,612)	964,495
Deferred income tax (benefit) expense	37,795	59,368	(1,355)	258,992
Total income tax (benefit) expense	<u>\$ 61,024</u>	<u>400,368</u>	<u>(27,967)</u>	<u>1,223,487</u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

The details of income tax (benefit) expense under other comprehensive income were as follows:

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Components of other comprehensive income that will be reclassified to profit or loss:				
Exchange differences on translation of foreign financial statements	\$ <u>49,212</u>	<u>(130,204)</u>	<u>235,436</u>	<u>(107,466)</u>

- (ii) The Company's tax returns for the year through 2021 were assessed by the ROC tax authorities.

(k) Capital and other equity interest

Except for those described below, there were no material changes in equity for the six months ended June 30, 2024 and 2023. Please refer to note 6(k) of the consolidated financial statements for the year ended December 31, 2023 for other relevant disclosures.

(i) Capital surplus

The components of capital surplus were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Paid-in capital in excess of par value	\$ 17,874,841	17,874,841	17,874,841
Employee stock options	250,434	250,434	250,434
Others	340	340	301
	<u>\$ 18,125,615</u>	<u>18,125,615</u>	<u>18,125,576</u>

(ii) Retained earnings

According to the rules of the Company's articles, the Company's annual net earnings, after providing for income tax and covering the losses of previous years, is first set aside for legal reserve at the rate of 10% thereof. In addition, a special reserve in accordance with applicable laws and regulations shall also be set aside. The remainder plus the undistributed earnings of the previous years are distributed or left undistributed for business purposes according to the resolution of the stockholders' dividend distribution. The Company's Board of Directors is authorized to distribute cash dividends after a resolution has been adopted by a majority vote at a board meeting attended by two-thirds or more of the directors, thereafter, to be reported to the shareholders' meeting ; while the distribution of stock dividends shall be submitted to the shareholders' meeting for approval.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

The Company adopts three kinds of dividend distribution policies, which are cash dividends, capitalization of earnings, and capital surplus. The net earnings after deducting the legal reserve and special reserve may first be distributed by way of cash dividends which shall be equal to at least fifty percent of the Company's total dividend distribution every year. The capitalization of earnings and capital surplus shall not exceed fifty percent of the total dividends.

**Earnings distribution**

The 2023 and 2022 earnings distribution had been approved during the board meetings held on February 29, 2024 and February 24, 2023, respectively, as follows:

	<b>2023</b>		<b>2022</b>	
	<b>Dividends per share (NTD)</b>	<b>Amount</b>	<b>Dividends per share (NTD)</b>	<b>Amount</b>
Dividends distributed to common shareholders:				
Cash	\$ 5.50	<u><b>3,553,910</b></u>	18.00	<u><b>11,630,978</b></u>

(iii) Other equity interest (net of tax)

	<b>Exchange differences on translation of foreign financial statements</b>	<b>Unrealized gains (losses) on financial assets at fair value through other comprehensive income</b>	<b>Total</b>
Balances as of January 1, 2024	\$ (1,056,659)	(55,915)	(1,112,574)
Exchange differences on translation of foreign operations	941,743	-	941,743
Unrealized gains (losses) on financial assets at fair value through other comprehensive income	-	(65,013)	(65,013)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	(13,035)	(13,035)
Balances as of June 30, 2024	<u><b>\$ (114,916)</b></u>	<u><b>(133,963)</b></u>	<u><b>(248,879)</b></u>
Balances as of January 1, 2023	\$ (744,544)	(17,103)	(761,647)
Exchange differences on translation of foreign operations	(429,868)	-	(429,868)
Unrealized gains (losses) on financial assets at fair value through other comprehensive income	-	(19,849)	(19,849)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	2,858	2,858
Balances as of June 30, 2023	<u><b>\$ (1,174,412)</b></u>	<u><b>(34,094)</b></u>	<u><b>(1,208,506)</b></u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(l) Earnings per share

Calculation of earnings per share for the six months ended June 30, 2024 and 2023 was as follows:

(i) Basic earnings per share

1) Net (loss) profit attributable to equity shareholders of the Company

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Net (loss) profit attributable to equity shareholders of the Company	\$ <u>118,597</u>	<u>1,572,540</u>	<u>(33,823)</u>	<u>3,897,781</u>

2) Weighted average number of ordinary shares outstanding

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Weighted average number of ordinary shares outstanding (in thousands of shares)	<u>646,166</u>	<u>646,166</u>	<u>646,166</u>	<u>646,166</u>

(ii) Diluted earnings per share

1) Net (loss) profit attributable to equity shareholders of the Company (diluted)

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Net (loss) profit attributable to equity shareholders of the Company (diluted)	\$ <u>118,597</u>	<u>1,572,540</u>	<u>(33,823)</u>	<u>3,897,781</u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

2) Weighted average number of ordinary shares outstanding (diluted)

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Weighted average number of ordinary shares outstanding (basic) (in thousands of shares)	646,166	646,166	646,166	646,166
Effects of dilutive potential ordinary shares				
Effects of employee stock compensation (in thousands of shares)	-	37	22	96
Weighted average number of ordinary shares outstanding (diluted) (in thousands of shares)	<u>646,166</u>	<u>646,203</u>	<u>646,188</u>	<u>646,262</u>

(m) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Primary geographical markets:				
Taiwan	\$ 2,689,402	3,318,280	4,970,888	8,671,389
USA	564,425	756,351	1,372,493	1,109,376
Mainland China	3,758,553	4,033,986	6,560,308	8,684,102
Korea	283,913	544,590	595,075	1,353,383
Other countries	824,313	1,480,436	1,722,414	2,896,050
	<u>\$ 8,120,606</u>	<u>10,133,643</u>	<u>15,221,178</u>	<u>22,714,300</u>
Major products:				
Printed circuit board	\$ 7,867,043	9,965,223	14,807,612	22,382,258
Others	253,563	168,420	413,566	332,042
	<u>\$ 8,120,606</u>	<u>10,133,643</u>	<u>15,221,178</u>	<u>22,714,300</u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(ii) Contract balances

	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Notes receivable	\$ 4,348	2,170	-
Accounts receivable — non-related parties	6,564,422	6,870,754	8,539,725
Accounts receivable — related parties	46,944	47,714	81,011
Less: Loss allowance	<u>(23,004)</u>	<u>(23,004)</u>	<u>(47,954)</u>
	<b><u>\$ 6,592,710</u></b>	<b><u>6,897,634</u></b>	<b><u>8,572,782</u></b>
	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Contract liabilities — unearned sales	<b><u>\$ 8,842,418</u></b>	<b><u>9,225,425</u></b>	<b><u>9,855,319</u></b>
	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Current	\$ 2,218,144	1,991,749	1,983,869
Non-current	<u>6,624,274</u>	<u>7,233,676</u>	<u>7,871,450</u>
	<b><u>\$ 8,842,418</u></b>	<b><u>9,225,425</u></b>	<b><u>9,855,319</u></b>

For details on notes and accounts receivable and allowance for impairment, please refer to note 6(b).

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue will be recognized when products are delivered to customers.

The amount of revenue recognized for the six months ended June 30, 2024 and 2023 that were included in the contract liability balance at the beginning of the period were \$939,243 and \$370,765, respectively.

(n) Employee compensation

According to the Company's Articles of Incorporation, which are subject to the shareholders' approval, the Company's annual net profit should be set aside from the allocation 0.05% to 0.5% as employee compensation based on the Company's net profit before tax offsetting employee compensation. When the Company incurs accumulated deficit, the Company should reserve in advance with covering the accumulated deficit. The estimated remunerations to employees amounted to \$0, \$3,939, \$0 and \$9,728 for the three months and six months ended June 30, 2024 and 2023, respectively. These amounts were calculated using the Company's net income before tax without the remunerations to employees for each period, multiplied by the proposed percentage which is stated under the Company's Article of Incorporation. These remunerations were expensed under operating costs or expenses for the period. Related information would be available at the Market Observation Post System website.

(Continued)



**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

For the years ended December 31, 2023 and 2022, the remunerations to employees amount to \$14,385 and \$48,482, respectively, which were paid in cash. There was no difference from the actual distribution. Related information can be accessed from the Market Observation Post System website.

(o) Non-operating income and expenses

(i) Interest income

The details of interest income were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Interest income from bank deposits	\$ 62,952	114,940	124,962	174,319
Other interest income	8,088	4,908	18,738	11,092
	<u>\$ 71,040</u>	<u>119,848</u>	<u>143,700</u>	<u>185,411</u>

(ii) Other income

The details of other income were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Rental income	\$ 9,257	13,590	21,688	28,115
Dividend revenue	-	12,583	-	12,583
Government grants	94,569	16,412	208,203	41,998
Others	77,799	21,953	141,901	48,936
	<u>\$ 181,625</u>	<u>64,538</u>	<u>371,792</u>	<u>131,632</u>

(iii) Other gains and losses

The details of other gains and (losses) were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Gains (losses) on disposal of property, plant and equipment	\$ 815	(17,384)	337	(38,988)
Net foreign exchange gains	129,966	336,308	414,529	195,105
Reversal of impairment loss on property, plant and equipment	-	4	75	13
Others	(1,039)	23,631	(1,487)	34,716
	<u>\$ 129,742</u>	<u>342,559</u>	<u>413,454</u>	<u>190,846</u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(iv) Finance costs

The details of finance costs were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Interest expense	\$ (4,454)	(4,950)	(9,006)	(9,976)

(p) Financial instruments

Except for the contention mentioned below, there was no significant change with regard to the fair value and exposure risks of credit risk, liquidity risk and market risk on financial instruments. Please refer to note 6(p) of the consolidated financial statements for the year ended December 31, 2023 for the related information.

(i) Liquidity risk

The following table shows the remaining contractual maturities of financial liabilities, including estimated interest payments :

	Carrying amount	Contractual cash flow	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
<b>June 30, 2024</b>							
Non-derivative financial liabilities							
Accounts payable (including related parties)	\$ 1,995,222	1,995,222	1,995,222	-	-	-	-
Dividends payable	3,553,910	3,553,910	3,553,910	-	-	-	-
Other payables (including related parties)	1,796,975	1,796,975	1,796,975	-	-	-	-
Lease liabilities (including current portion)	1,580,445	1,636,086	137,596	135,119	269,120	605,084	489,167
	<u>\$ 8,926,552</u>	<u>8,982,193</u>	<u>7,483,703</u>	<u>135,119</u>	<u>269,120</u>	<u>605,084</u>	<u>489,167</u>
<b>December 31, 2023</b>							
Non-derivative financial liabilities							
Accounts payable (including related parties)	\$ 3,061,966	3,061,966	3,061,966	-	-	-	-
Other payables (including related parties)	2,782,344	2,782,344	2,782,344	-	-	-	-
Lease liabilities (including current portion)	1,693,381	1,756,898	137,007	134,531	264,109	635,624	585,627
	<u>\$ 7,537,691</u>	<u>7,601,208</u>	<u>5,981,317</u>	<u>134,531</u>	<u>264,109</u>	<u>635,624</u>	<u>585,627</u>
<b>June 30, 2023</b>							
Non-derivative financial liabilities							
Accounts payable (including related parties)	\$ 4,380,751	4,380,751	4,380,751	-	-	-	-
Dividends payable	11,630,978	11,630,978	11,630,978	-	-	-	-
Other payables (including related parties)	2,508,544	2,508,544	2,508,544	-	-	-	-
Lease liabilities (including current portion)	1,821,462	1,893,905	137,007	137,007	266,585	670,075	683,231
	<u>\$ 20,341,735</u>	<u>20,414,178</u>	<u>18,657,280</u>	<u>137,007</u>	<u>266,585</u>	<u>670,075</u>	<u>683,231</u>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(ii) Currency risk

1) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk was as follows:

<b>June 30, 2024</b>			
	<b>Foreign currency</b>	<b>Exchange rate</b>	<b>New Taiwan Dollars</b>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 252,376	32.4500	8,189,585
EUR	682	34.8339	23,773
JPY	7,071	0.2025	1,432
CNY	165	4.5532	749
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	11,096	32.4500	360,054
EUR	25	34.8339	885
JPY	331,304	0.2025	67,089
CNY	50	4.5532	228
<b>December 31, 2023</b>			
	<b>Foreign currency</b>	<b>Exchange rate</b>	<b>New Taiwan Dollars</b>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 261,351	30.7350	8,032,616
EUR	313	33.9755	10,638
JPY	52,588	0.2172	11,422
CNY	44	4.3394	190
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	17,199	30.7350	528,604
EUR	70	33.9755	2,383
JPY	1,708,820	0.2172	371,156
CNY	11	4.3394	48

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

<b>June 30, 2023</b>			
	<b>Foreign currency</b>	<b>Exchange rate</b>	<b>New Taiwan Dollars</b>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 304,993	31.1350	9,495,949
EUR	417	33.7979	14,080
JPY	31,514	0.2149	6,772
CNY	13	4.3088	54
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	21,700	31.1350	675,629
EUR	274	33.7979	9,273
JPY	2,516,867	0.2149	540,875

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the foreign currency exchange fluctuations on cash and cash equivalents, accounts receivable and other receivables, loans, accounts payable and other payables which are denominated in foreign currencies. A 1% depreciation or appreciation of the NTD against the USD, EUR, JPY and CNY as of June 30, 2024 and 2023 would have increased or decreased the net income before tax by \$77,873 and \$82,911 for the six months ended June 30, 2024 and 2023, respectively. The analysis is performed on the same basis for both periods.

3) Foreign exchange gain and loss on monetary items

Due to the variety of functional currencies, the Group disclosed its aggregated foreign exchange gains (losses); the Group's foreign exchange gains, including realized and unrealized, for the six months ended June 30, 2024 and 2023 were the net exchange gain (loss) of \$414,529 and \$195,105, respectively.

(iii) Interest rate analysis

The Group's exposure to interest rate risk arising from financial assets and liabilities is described in the liquidity risk section of this note.

The sensitivity analysis is based on the risk exposure to interest rates of the derivative and non-derivative financial instruments on the reporting date. For floating rate instruments, the sensitivity analysis assumes the liabilities bearing variable interest rates are outstanding for the whole year. A 1% increase or decrease in interest rate, as assessed by the management, with all the other factors remaining constant, for the six months ended June 30, 2024 and 2023, will have no significant impact on the Group's profit.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(iv) Fair value of information

1) Fair value of financial instruments

The carrying amount of the Group's financial assets and liabilities is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

<b>June 30, 2024</b>					
	<b>Carrying Amount</b>	<b>Fair Value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	\$ 172,270	172,270	-	-	172,270
Financial assets measured by amortized cost					
Cash and cash equivalents	\$ 11,844,114	-	-	-	-
Notes and accounts receivable, net (including related parties)	6,592,710	-	-	-	-
Other receivables (including related parties)	54,366	-	-	-	-
Total	<u>\$ 18,663,460</u>	<u>172,270</u>	<u>-</u>	<u>-</u>	<u>172,270</u>
Financial liabilities measured by amortized cost					
Accounts payable (including related parties)	\$ 1,995,222	-	-	-	-
Other payables (including related parties)	1,796,975	-	-	-	-
Dividends payable	3,553,910	-	-	-	-
Lease liabilities (including current portion)	1,580,445	-	-	-	-
Total	<u>\$ 8,926,552</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>December 31, 2023</b>					
	<b>Carrying Amount</b>	<b>Fair Value</b>			<b>Total</b>
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	\$ 237,283	237,283	-	-	237,283
Financial assets measured by amortized cost					
Cash and cash equivalents	\$ 12,329,798	-	-	-	-
Notes and accounts receivable, net (including related parties)	6,897,634	-	-	-	-
Other receivables (including related parties)	30,856	-	-	-	-
Other financial assets (recognized as other current assets)	277,922	-	-	-	-
Total	<u>\$ 19,773,493</u>	<u>237,283</u>	<u>-</u>	<u>-</u>	<u>237,283</u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

<b>December 31, 2023</b>					
	<b>Carrying Amount</b>	<b>Fair Value</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities measured by amortized cost					
Accounts payable (including related parties)	\$ 3,061,966	-	-	-	-
Other payables (including related parties)	2,782,344	-	-	-	-
Lease liabilities (including current portion)	1,693,381	-	-	-	-
<b>Total</b>	<b>\$ 7,537,691</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>June 30, 2023</b>					
	<b>Carrying Amount</b>	<b>Fair Value</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	<b>\$ 256,757</b>	<b>256,757</b>	<b>-</b>	<b>-</b>	<b>256,757</b>
Financial assets measured by amortized cost					
Cash and cash equivalents	\$ 22,517,212	-	-	-	-
Accounts receivable, net (including related parties)	8,572,782	-	-	-	-
Other receivables (including related parties)	108,329	-	-	-	-
<b>Total</b>	<b>\$ 31,455,080</b>	<b>256,757</b>	<b>-</b>	<b>-</b>	<b>256,757</b>
Financial liabilities measured by amortized cost					
Accounts payable (including related parties)	4,380,751	-	-	-	-
Dividends payable	11,630,978	-	-	-	-
Other payables (including related parties)	2,508,544	-	-	-	-
Lease liabilities (including current portion)	1,821,462	-	-	-	-
<b>Total</b>	<b>\$ 20,341,735</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(q) Financial risk management**

There were no significant changes in the Group's financial risk management objective and policy since December 31, 2023. Please refer to the detailed disclosure on financial risk management in note 6(q) of the consolidated financial statements for the year ended December 31, 2023.

**(r) Capital management**

The objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2023. Please refer to note 6(r) of the consolidated financial statements as of and for the year ended December 31, 2023, for the detailed disclosure on capital management.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(s) Investing and financing activities not affecting current cash flow

The Group's investing and financing activities which did not affect the current cash flow for the six months ended June 30, 2024 and 2023 were as follows:

- (i) A description of acquisition the right-of-use assets through lease, please refer to note 6(g).  
(ii) Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2024	Cash flows	Non-cash changes		June 30, 2024
			Foreign exchange movement	Acquisition	
Lease liabilities(including current portion)	\$ 1,693,381	(130,902)	-	17,966	1,580,445
Total liabilities from financing activities	<u>\$ 1,693,381</u>	<u>(130,902)</u>	<u>-</u>	<u>17,966</u>	<u>1,580,445</u>

	January 1, 2023	Cash flows	Non-cash changes		June 30, 2023
			Foreign exchange movement	Acquisition	
Lease liabilities(including current portion)	\$ 1,914,389	(126,879)	-	33,952	1,821,462
Total liabilities from financing activities	<u>\$ 1,914,389</u>	<u>(126,879)</u>	<u>-</u>	<u>33,952</u>	<u>1,821,462</u>

**(7) Related-party transactions**

(a) Parent company and ultimate controlling party

Nan Ya Plastics Corporation is both the parent company and the ultimate controlling party of the Group. It owns 66.97% of all shares outstanding of the Company, and has issued the consolidated financial statements available for public use.

(b) Names and relationship with related parties

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

<u>Name of related party</u>	<u>Relationship with the Group</u>
Nan Ya Plastics Corporation (NYPC)	The parent company
Formosa Advanced Technologies Co., Ltd. (FATC)	The Group's associates
Nan Ya Electronic Materials (Kunshan) Co., Ltd. (NEMK)	The Group's parent company is the ultimate controlling parent of the company
Nan Ya Electric (Nantong) Co., Ltd. (NENC)	The Group's parent company is the ultimate controlling parent of the company

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

<u>Name of related party</u>	<u>Relationship with the Group</u>
Formosa Plastics Corporation (FPC)	The Group's parent company is the company's board of director
Formosa Biomedical Technology Corporation	The Group's parent company is a board of director of the company
Wellink Technology Co., Ltd. (WTC)	The same chairman
Nanya Technology Corporation	The same chairman

(c) Significant related-party transactions

(i) Operating revenues

Significant sales to related parties were as follows:

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Associates	\$ 151,375	149,027	355,149	335,980
Other related parties	111	238	237	476
	<u>\$ 151,486</u>	<u>149,265</u>	<u>355,386</u>	<u>336,456</u>

The sales price from related parties is not significantly different from non-related general parties. The normal credit term with the companies above is collection on open account 70 days. There is no collateral received among related parties accounts receivable and there is no need to estimate loss allowance.

(ii) Receivables from related parties

The balances of accounts receivable from related parties were as follows:

<u>Account</u>	<u>Relationship</u>	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Accounts receivable due from related parties	Associates	\$ 46,875	47,636	80,917
Accounts receivable due from related parties	Other related parties	69	78	94
		<u>\$ 46,944</u>	<u>47,714</u>	<u>81,011</u>

(Continued)



**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(iii) Purchases from related parties

Significant purchases from related parties were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
The parent company	\$ 422,923	461,779	773,453	961,709
Other related parties				
NEMK	199,647	200,645	351,066	375,022
WTC	52,395	37,219	86,009	64,809
Others	24,249	79,567	47,016	117,891
	<u>\$ 699,214</u>	<u>779,210</u>	<u>1,257,544</u>	<u>1,519,431</u>

The purchase price from related parties is not significantly different from non-related general parties. The normal credit term with the related parties above is collected on open account 30 days, on open account 60 days, on open account 90 days and on the day following the day of approving payment, respectively.

(iv) Payables to related parties

The details of accounts payable to related parties were as follows:

Account	Relationship	June 30, 2024	December 31, 2023	June 30, 2023
Accounts payable to related parties	The parent company	\$ 158,163	129,744	161,314
Accounts payable to related parties	Other related parties			
	NEMK	82,398	47,725	82,793
Accounts payable to related parties	WTC	34,259	20,723	25,206
Accounts payable to related parties	Nanya Technology Corporation	-	124,000	-
Accounts payable to related parties	Others	7,713	8,129	22,046
		<u>\$ 282,533</u>	<u>330,321</u>	<u>291,359</u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(v) Dividends

	<b>Other receivables due from related parties</b>		
	<b>June 30, 2024</b>	<b>December 31, 2023</b>	<b>June 30, 2023</b>
Associates—FATC	\$ 11,940	-	43,781
Other related parties	-	-	12,583
	<b>\$ 11,940</b>	<b>-</b>	<b>56,364</b>

(vi) Lease of property, plant and equipment

- 1) The lease revenue of the Group from leasing its property, plant and equipment to its related parties, accounted for as other income, were as follows:

	<b>Lease revenue</b>			
	<b>For the three months ended</b>		<b>For the six months ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
The parent company	\$ <b>3,109</b>	<b>3,109</b>	<b>6,218</b>	<b>6,218</b>

The rentals charged to related parties are determined based on the local market prices and monthly rentals, depending on the contract. As of June 30, 2024, December 31 and June 30, 2023, the Group still had unreceived receivables of \$0, \$0 and \$1,088 accounted for as other receivables due from related parties, respectively.

- 2) The rental expenses of the Group's property, plant and equipment leased from its related parties were as follows:

The Group entered into different lease agreements with its parent company for its Taipei office, as well as its factories and employee dormitories, both located at Luchu Dist., Taoyuan City and Shulin Dist., New Taipei City, with monthly rental fees based on the local market prices within their respective vicinities. For the three months and six months ended June 30, 2024 and 2023, the above rentals amounting to \$7,769, \$8,365, \$15,863 and \$16,812, respectively, were recognized as expenses. For the three months and six months ended June 30, 2024 and 2023, the amount of \$4,086, \$4,660, \$8,298 and \$9,450 was recognized as interest expense. As of June 30, 2024, December 31 and June 30, 2023 the balance of lease liabilities amounting to \$1,574,659, \$1,681,577 and \$1,803,673 respectively.

The Group added a right-of-use asset amounting to \$9,284 and \$0, for the six months ended June 30, 2024 and 2023, respectively.

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

(vii) Others

The Group bought utilities such as steam, water and electricity from other related parties-Nan Ya Electronic Materials (Kunshan) Co., Ltd. amounting to \$79,199, \$79,403, \$182,492 and \$169,474, for the three months and six months ended June 30, 2024 and 2023, respectively. As of June 30, 2024, December 31 and June 30, 2023, the Group still had unpaid payables accounted for as other payables to related parties amounting to \$64,935, \$36,206 and \$30,713, respectively.

For the three months and six months ended June 30, 2024 and 2023, the Group provides sewage treatment service to Nan Ya Electronic Materials (Kunshan) Co., Ltd. and receives \$5,830, \$7,038, \$11,473 and \$13,290, respectively. As of June 30, 2024, December 31 and June 30, 2023, the Group still had uncollected receivables accounted for as other receivables due from related parties amounting to \$2,612, \$2,302 and \$2,510, respectively.

(d) Key management personnel compensation

Key management personnel compensation comprised

	For the three months ended June 30,		For the six months ended June 30,	
	2024	2023	2024	2023
Short-term employee benefits	\$ <u>7,180</u>	<u>9,410</u>	<u>14,625</u>	<u>18,456</u>

**(8) Pledged assets: None**

**(9) Commitments and contingencies**

(a) The outstanding letters of credit for the importation of raw materials by the Group were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Outstanding letters of credit for the importation of raw materials	\$ <u>3,390</u>	<u>291,446</u>	<u>1,496,340</u>

(b) The endorsements by the bank were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
The guarantee for customs	\$ <u>22,000</u>	<u>22,000</u>	<u>54,100</u>
The guarantee for letters of credit	\$ <u>48,000</u>	<u>48,000</u>	<u>52,000</u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

**(10) Losses Due to Major Disasters: None**

**(11) Subsequent Events: None**

**(12) Other**

(a) A summary of current-period employee benefits, and depreciation by function, was as follows:

	For the three months ended June 30, 2024			For the three months ended June 30, 2023		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salaries	1,613,208	162,441	1,775,649	1,779,433	185,339	1,964,772
Labor and health insurance	145,913	18,865	164,778	173,868	19,899	193,767
Pension expenses	116,626	18,079	134,705	128,333	19,430	147,763
Remuneration of directors	-	1,610	1,610	-	1,775	1,775
Other personnel expenses	55,646	6,807	62,453	55,330	8,003	63,333
Depreciation expenses	1,613,411	6,963	1,620,374	1,485,103	5,348	1,490,451

	For the six months ended June 30, 2024			For the six months ended June 30, 2023		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salaries	3,164,700	335,782	3,500,482	3,910,923	390,532	4,301,455
Labor and health insurance	291,229	37,457	328,686	350,549	40,054	390,603
Pension expenses	227,589	35,357	262,946	259,937	39,561	299,498
Remuneration of directors	-	3,110	3,110	-	3,275	3,275
Other personnel expenses	109,717	13,463	123,180	111,855	16,423	128,278
Depreciation expenses	3,204,200	13,101	3,217,301	2,758,078	10,523	2,768,601

(b) The seasonality of operation

The operation of the Group is not influenced by seasonality and periodicity.

(Continued)

## NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

#### (13) Other disclosures

##### (a) Information on significant transactions

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

(i) Loans to other parties: None

(ii) Guarantees and endorsements for other parties: None

(iii) Securities held as of June 30, 2024 (excluding investment in subsidiaries, associates and joint ventures):

(in thousands of shares and New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	FPC stock	Other related parties	Current financial assets at fair value through other comprehensive income	2,996	172,270	0.05 %	172,270	-

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of \$300 million or 20% of the capital stock: None

(v) Acquisition of individual real estate with amount exceeding the lower of \$300 million or 20% of the capital stock: None

(vi) Disposal of individual real estate with amount exceeding the lower of \$300 million or 20% of the capital stock: None

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of \$100 million or 20% of the capital stock:

(in thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/ (Sale)	Amount	Percentage of total purchases/(sales)	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	NYPK	Parent company	Purchase	757,899	17.28 %	O/A 30 days	-	-	(146,167)	(13.48)%	-
The Company	NPKC	Subsidiary of the Company	Purchase	1,981,913	45.18 %	O/A 30 days	-	-	(330,126)	(30.45)%	Note
The Company	FATC	Associates	(sale)	(103,124)	(1.01)%	O/A 70 days	-	-	7,120	0.18%	-
NPKC	The Company	Parent company	(sale)	(1,981,913)	(28.40)%	O/A 30 days	-	-	330,126	11.56%	Note
NPKC	FATC	Associates	(sale)	(252,025)	(3.61)%	O/A 70 days	-	-	39,755	1.39%	-
NPKC	NEMK	Same chairman	Purchase	351,066	9.34 %	O/A 60 days	-	-	(82,398)	(6.63)%	-

Note: The transactions listed in the left have been written off during the preparation of the consolidated financial statements.

(viii) Receivables from related parties with amounts exceeding the lower of \$100 million or 20% of the capital stock:

(in thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Loss Allowance
					Amount	Action taken		
NPKC	The Company (Note)	Parent company	330,126	12.24	-		330,126	-

Note : The above transactions listed have been written off during the preparation of the consolidated financial statements.

(ix) Trading in derivative instruments: None

(Continued)

NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(x) Business relationships and significant intercompany transactions:

(in thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	NPKC	The Company	2	Sales	1,981,913	O/A 30 days	13.02%
1	NPKC	The Company	2	Accounts receivable due from related parties	330,126	O/A 30 days	0.49%

Note 1: Numbers are filled in as follows

- 1. 0 represents the parent company
- 2. Subsidiaries are numbered from 1

Note 2: Classifications of relation with counterparty are listed as follows:

- 1. Parent to subsidiary
- 2. Subsidiary to parent
- 3. Between subsidiaries

Note 3: Only data related to sales and accounts receivable of all the intercompany transactions and business contact are disclosed. The related purchase and accounts payable are not stated.

Note 4:The transactions listed above have been written off during the preparation of the consolidated financial statements.

(b) Information on investees

The following is the information on investees for the six months ended June 30, 2024 (excluding information on investees in Mainland China):

(in thousands of shares and New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2024			Net income (losses) of investee	Share of profits/(losses) of investee	Note
				June 30, 2024	December 31, 2023	Shares (in thousands)	Percentage of ownership	Carrying amount			
The Company	NPHK	HK	Business of electronic products	8,595,674	8,595,674	2,152,020	100.00 %	24,915,986	(105,051)	(105,051)	Note1
The Company	NPUC	USA	Customer sales promotion	3,479	3,479	1,000	100.00 %	21,604	854	854	Note1
The Company	FATC	TW	Assembling testing and producing modules for IC	472,968	472,968	13,267	3.00 %	481,130	631,314	19,248	Note2

Note1: The transactions listed in the left have been written off during the preparation of the consolidated financial statements.

Note2: Investee company accounted for using equity method.

(c) Information on investment in mainland China

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(in thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2024	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2024	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Carrying amount	Accumulated remittance of earnings in current period
					Outflow	Inflow						
NPKC	Production and marketing of PCBs	8,592,495	(Note 1)	8,592,495	-	-	8,592,495	(105,416)	100.00%	(105,416) (Note 2)	22,942,814	-

Note 1: NPKC in Mainland China is invested through a company established in a third region.

Note 2: Investment income or loss is recognized according to the financial statements reviewed by the CPA of the Taiwanese parent company.

Note3: The transaction listed above has been written off during the preparation of the consolidated financial statements.

## NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

(ii) Limitation on investment in Mainland China:

(in thousands of New Taiwan Dollars)

Accumulated Investment in Mainland China as of June 30, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note)
8,592,495	8,592,495	-

Note: The Industrial Development Bureau of the MOEA issued a letter to the Company stating that it qualifies under Section 12 of the Statute for Upgrading Industries.

(iii) Significant transactions:

Please refer to “Information on significant transactions” for direct or indirect significant transactions (written off during the preparation of the consolidated financial statements), between the Company and its investees in Mainland China for the six months ended June 30, 2024.

(d) Major shareholders:

Shareholder's Name	Shareholding	Shares	Percentage
Nan Ya Plastics Corporation		432,744,977	66.97 %

- (i) The information on major shareholders, which is provided by the Taiwan Depository & Clearing Corporation, summarized the shareholders who held over 5% of total non-physical common stocks and preferred stocks (including treasury stocks) on the last business date of each quarter. The registered non-physical stocks may be different from the capital stocks disclosed in the financial statement due to different calculation basis.
- (ii) If shares are entrusted, the above information regarding such shares will be revealed by each trustors of individual trust account. The shareholders holding more than 10% of the total shares of the company should declare insider's equity according to Securities and Exchange Act. The numbers of the shares declared by the insider include the shares of the trust assets which the insider has discretion over use. For details of the insider's equity announcement please refer to the TWSE website.

**(14) Segment information:**

The information and reconciliation of operating segments of the Group are as follows:

For the three months ended June 30, 2024					
	Domestic	American	Asian	Adjustments and elimination	Total
Revenue:					
From external clients	\$ 5,206,102	-	2,914,504	-	8,120,606
Intersegments	978	9,209	1,082,322	(1,092,509)	-
Total revenue	<u>\$ 5,207,080</u>	<u>9,209</u>	<u>3,996,826</u>	<u>(1,092,509)</u>	<u>8,120,606</u>
Income/Loss of reportable segments	<u>\$ 147,467</u>	<u>889</u>	<u>51,461</u>	<u>(20,196)</u>	<u>179,621</u>
For the three months ended June 30, 2023					
	Domestic	American	Asian	Adjustments and elimination	Total
Revenue:					
From external clients	\$ 6,817,471	-	3,316,172	-	10,133,643
Intersegments	2,012	8,890	948,695	(959,597)	-
Total revenue	<u>\$ 6,819,483</u>	<u>8,890</u>	<u>4,264,867</u>	<u>(959,597)</u>	<u>10,133,643</u>
Income/Loss of reportable segments	<u>\$ 1,965,600</u>	<u>2,280</u>	<u>781,514</u>	<u>(776,486)</u>	<u>1,972,908</u>

(Continued)

**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

	For the six months ended June 30, 2024				
	Domestic	American	Asian	Adjustments and elimination	Total
Revenue:					
From external clients	\$ 10,224,000	-	4,997,178	-	15,221,178
Intersegments	1,229	15,886	1,981,913	(1,999,028)	-
Total revenue	\$ 10,225,229	15,886	6,979,091	(1,999,028)	15,221,178
Income/Loss of reportable segments	\$ (43,058)	1,414	(124,343)	104,197	(61,790)
	For the six months ended June 30, 2023				
	Domestic	American	Asian	Adjustments and elimination	Total
Revenue:					
From external clients	\$ 15,526,590	-	7,187,710	-	22,714,300
Intersegments	9,918	15,447	1,844,143	(1,869,508)	-
Total revenue	\$ 15,536,508	15,447	9,031,853	(1,869,508)	22,714,300
Income/Loss of reportable segments	\$ 4,854,098	1,904	1,779,787	(1,514,521)	5,121,268
	Domestic	American	Asian	Adjustments and elimination	Total
Assets of reportable segments					
June 30, 2024	\$ 66,228,591	21,670	27,052,358	(25,332,137)	67,970,482
December 31, 2023	\$ 68,882,105	19,640	25,788,681	(24,252,981)	70,437,445
June 30, 2023	\$ 79,319,617	19,979	26,069,182	(23,588,162)	81,820,616
Liabilities of reportable segments					
June 30, 2024	\$ 21,044,713	66	2,092,059	(350,234)	22,786,604
December 31, 2023	\$ 20,974,189	-	1,899,401	(344,061)	22,529,529
June 30, 2023	\$ 33,777,138	171	2,905,505	(404,677)	36,278,137