

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

**Consolidated Financial Statements**

**With Independent Auditors' Review Report  
For the Nine Months Ended September 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.

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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 September 30, 2024 and 2023, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2024 and 2023, as well as the changes in equity and cash flows for the nine months ended September 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 September 30, 2024 and 2023, and of its consolidated financial performance for the three months and nine months ended September 30, 2024 and 2023, as well as its consolidated cash flows for the nine months ended September 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)  
November 5, 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

September 30, 2024, December 31 and September 30, 2023

(Expressed in Thousands of New Taiwan Dollars)

		September 30, 2024		December 31, 2023		September 30, 2023				September 30, 2024		December 31, 2023		September 30, 2023	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and equity		Amount	%	Amount	%	Amount	%
<b>Current assets:</b>								<b>Current liabilities:</b>							
1100	Cash and cash equivalents (note 6(a))	\$ 7,443,873	12	12,329,798	17	10,445,210	15	2130	Current contract liabilities (note 6(m))	\$ 2,218,144	4	1,991,749	3	1,912,696	3
1120	Current financial assets at fair value through other comprehensive income	160,286	-	237,283	-	239,080	-	2170	Accounts payable	1,549,116	3	2,731,645	4	3,720,444	5
1170	Notes and accounts receivable, net (notes 6(b) and (m))	7,733,283	12	6,849,920	10	8,522,384	12	2180	Accounts payable to related parties (note 7)	254,245	-	330,321	-	294,094	-
1180	Accounts receivable due from related parties (notes 6(b), (m) and 7)	35,836	-	47,714	-	42,026	-	2219	Other payables	1,889,111	3	2,746,138	4	2,684,171	4
1200	Other receivables (note 6(c))	168,978	-	612,646	1	298,705	-	2220	Other payables to related parties (note 7)	52,918	-	36,206	-	61,057	-
1210	Other receivables due from related parties (notes 6(c) and 7)	3,014	-	2,302	-	2,527	-	2230	Current tax liabilities	375,657	1	849,868	1	936,675	2
1310	Inventories (note 6(d))	3,971,679	6	3,896,223	6	4,852,995	7	2281	Current lease liabilities (note 6(h))	7,147	-	9,588	-	12,036	-
1470	Prepayments and other current assets (note 6(a))	768,254	1	498,301	1	311,714	1	2282	Current lease liabilities, related parties (notes 6(h) and 7)	257,783	-	246,114	-	245,472	-
<b>Total current assets</b>		<u>20,285,203</u>	<u>31</u>	<u>24,474,187</u>	<u>35</u>	<u>24,714,641</u>	<u>35</u>	2300	Other current liabilities	<u>227,076</u>	<u>-</u>	<u>158,806</u>	<u>-</u>	<u>195,710</u>	<u>-</u>
<b>Non-current assets:</b>								<b>Total current liabilities</b>		<u>6,831,197</u>	<u>11</u>	<u>9,100,435</u>	<u>12</u>	<u>10,062,355</u>	<u>14</u>
1550	Investments accounted for using equity method (note 6(e))	474,093	1	486,857	1	483,406	1	<b>Non-current liabilities:</b>							
1600	Property, plant and equipment (note 6(f))	40,864,691	65	43,106,634	61	43,847,748	61	2527	Non-current contract liabilities (note 6(m))	6,069,738	9	7,233,676	11	7,360,145	11
1755	Right-of-use assets (notes 6(g) and 7)	1,557,084	2	1,707,192	2	1,774,196	2	2570	Deferred tax liabilities	3,013,892	5	3,441,505	5	3,360,339	5
1840	Deferred tax assets	425,876	1	647,139	1	618,560	1	2581	Non-current lease liabilities (note 6(h))	744	-	2,216	-	2,951	-
1900	Other non-current assets	9,518	-	15,436	-	9,480	-	2582	Non-current lease liabilities, related parties (notes 6(h) and 7)	1,281,185	2	1,435,463	2	1,497,233	2
<b>Total non-current assets</b>		<u>43,331,262</u>	<u>69</u>	<u>45,963,258</u>	<u>65</u>	<u>46,733,390</u>	<u>65</u>	2640	Net defined benefit liability, non-current	1,072,652	2	1,112,644	2	1,563,280	2
								2645	Guarantee deposits received	<u>282,687</u>	<u>-</u>	<u>203,590</u>	<u>-</u>	<u>205,999</u>	<u>-</u>
								<b>Total non-current liabilities</b>		<u>11,720,898</u>	<u>18</u>	<u>13,429,094</u>	<u>20</u>	<u>13,989,947</u>	<u>20</u>
								<b>Total liabilities</b>		<u>18,552,095</u>	<u>29</u>	<u>22,529,529</u>	<u>32</u>	<u>24,052,302</u>	<u>34</u>
								<b>Equity (note 6(k)):</b>							
								3100	Ordinary shares	6,461,655	10	6,461,655	9	6,461,655	9
								3200	Capital surplus	18,125,634	29	18,125,615	26	18,125,589	25
								3310	Legal reserve	8,473,910	13	7,857,185	11	7,857,185	11
								3320	Special reserve	1,112,574	2	761,647	1	761,647	1
								3350	Unappropriated retained earnings	11,317,894	18	15,814,388	23	14,620,559	21
								3400	Other equity interest	<u>(427,297)</u>	<u>(1)</u>	<u>(1,112,574)</u>	<u>(2)</u>	<u>(430,906)</u>	<u>(1)</u>
								<b>Total equity</b>		<u>45,064,370</u>	<u>71</u>	<u>47,907,916</u>	<u>68</u>	<u>47,395,729</u>	<u>66</u>
<b>Total assets</b>		<u>\$ 63,616,465</u>	<u>100</u>	<u>70,437,445</u>	<u>100</u>	<u>71,448,031</u>	<u>100</u>	<b>Total liabilities and equity</b>		<u>\$ 63,616,465</u>	<u>100</u>	<u>70,437,445</u>	<u>100</u>	<u>71,448,031</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 nine months ended September 30, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)**

		For the three months ended September 30,				For the nine months ended September 30,			
		2024		2023		2024		2023	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	<b>Operating revenue (notes 6(m) and 7)</b>	\$ 9,191,871	100	10,227,384	100	24,413,049	100	32,941,684	100
5000	<b>Operating costs (notes 6(d), (f), (g), (h), (i), (n) and 7)</b>	8,654,135	94	8,706,219	85	24,072,284	99	25,780,429	78
	<b>Gross profit from operations</b>	537,736	6	1,521,165	15	340,765	1	7,161,255	22
	<b>Operating expenses (notes 6(b), (f), (g), (h), (i), (n) and 7):</b>								
6100	Selling expenses	80,036	1	120,949	1	237,133	1	366,146	1
6200	Administrative expenses	332,741	4	369,544	4	979,651	4	1,155,160	4
6000	<b>Total operating expenses</b>	412,777	5	490,493	5	1,216,784	5	1,521,306	5
6900	<b>Net operating (loss) income</b>	124,959	1	1,030,672	10	(876,019)	(4)	5,639,949	17
	<b>Non-operating income and expenses (notes 6(e), (f), (h), (o) and 7):</b>								
7100	Interest income	50,817	1	68,142	1	194,517	1	253,553	1
7010	Other income	72,772	1	48,694	-	444,564	2	180,326	1
7020	Other gains and losses	(180,272)	(2)	298,844	3	233,182	1	489,690	1
7050	Finance costs	(4,347)	-	(4,783)	-	(13,353)	-	(14,759)	-
7060	Share of profit of associates accounted for using equity method	3,396	-	1,319	-	22,644	-	15,397	-
	<b>Total non-operating income and expenses</b>	(57,634)	-	412,216	4	881,554	4	924,207	3
7900	<b>Profit before tax</b>	67,325	1	1,442,888	14	5,535	-	6,564,156	20
7950	Less: Tax (benefit) expense (note 6(j))	8,434	-	367,251	3	(19,533)	-	1,590,738	5
8200	<b>Profit</b>	58,891	1	1,075,637	11	25,068	-	4,973,418	15
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	(11,984)	-	(17,677)	-	(76,997)	-	(37,526)	-
8320	Share of other comprehensive income of associates accounted for using equity method	(10,434)	-	(4,884)	-	(23,469)	-	(2,026)	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>	(22,418)	-	(22,561)	-	(100,466)	-	(39,552)	-
8360	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>								
8361	Exchange differences on translation	(195,000)	(2)	1,000,201	10	982,179	4	462,867	1
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	(39,000)	-	200,040	2	196,436	1	92,574	-
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>	(156,000)	(2)	800,161	8	785,743	3	370,293	1
8300	<b>Other comprehensive income, net</b>	(178,418)	(2)	777,600	8	685,277	3	330,741	1
8500	<b>Total comprehensive income</b>	\$ (119,527)	(1)	1,853,237	19	710,345	3	5,304,159	16
	<b>Earnings per share (note 6(l))</b>								
9750	<b>Basic earnings per share</b>	\$ 0.09		1.66		0.04		7.70	
9850	<b>Diluted earnings per share</b>	\$ 0.09		1.66		0.04		7.70	

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 nine months ended September 30, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

							Other equity interest		
							Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income		
	Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements		Total	Total equity
<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 nine months ended September 30, 2023	-	-	-	-	4,973,418	-	-	-	4,973,418
Other comprehensive income for the nine months ended September 30, 2023	-	-	-	-	-	370,293	(39,552)	330,741	330,741
Total comprehensive income for the nine months ended September 30, 2023	-	-	-	-	4,973,418	370,293	(39,552)	330,741	5,304,159
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	-	(19)	-	-	-	-	-	-	(19)
<b>Balance at September 30, 2023</b>	<u>\$ 6,461,655</u>	<u>18,125,589</u>	<u>7,857,185</u>	<u>761,647</u>	<u>14,620,559</u>	<u>(374,251)</u>	<u>(56,655)</u>	<u>(430,906)</u>	<u>47,395,729</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
Profit for the nine months ended September 30, 2024	-	-	-	-	25,068	-	-	-	25,068
Other comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	785,743	(100,466)	685,277	685,277
Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	25,068	785,743	(100,466)	685,277	710,345
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)
Other changes in capital surplus:									
Other changes in capital surplus	-	19	-	-	-	-	-	-	19
<b>Balance at September 30, 2024</b>	<u>\$ 6,461,655</u>	<u>18,125,634</u>	<u>8,473,910</u>	<u>1,112,574</u>	<u>11,317,894</u>	<u>(270,916)</u>	<u>(156,381)</u>	<u>(427,297)</u>	<u>45,064,370</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 nine months ended September 30, 2024 and 2023**

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

	<b>For the nine months ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities:</b>		
<b>Profit before tax</b>	\$ 5,535	6,564,156
<b>Adjustments:</b>		
<b>Adjustments to reconcile profit:</b>		
Depreciation expense	4,839,761	4,308,651
Interest expense	13,353	14,759
Interest income	(194,517)	(253,553)
Dividend income	(2,996)	(12,583)
Share of profit of associates accounted for using equity method	(22,644)	(15,397)
Loss on disposal of property, plant and equipment	948	42,340
Reversal of impairment loss on non-financial assets	(75)	(72)
Unrealized foreign exchange loss (gain)	110,860	(153,707)
<b>Total adjustments to reconcile profit</b>	4,744,690	3,930,438
<b>Changes in operating assets and liabilities:</b>		
<b>Changes in operating assets:</b>		
(Increase) decrease in notes and accounts receivable (including related parties)	(960,489)	6,457,962
Decrease (increase) in other receivables (including related parties)	22,070	(49,803)
(Increase) decrease in inventories	(77,932)	948,990
(Increase) decrease in prepayments	(96,564)	15,904
<b>Total changes in operating assets</b>	(1,112,915)	7,373,053
<b>Changes in operating liabilities:</b>		
(Decrease) increase in contract liabilities	(937,543)	554,816
Decrease in accounts payable (including related parties)	(1,254,825)	(1,303,930)
Decrease in other payables (including related parties)	(840,297)	(866,775)
Increase (decrease) in other current liabilities	68,270	(24,862)
Decrease in net defined benefit liabilities	(39,992)	(338,807)
<b>Total changes in operating liabilities</b>	(3,004,387)	(1,979,558)
<b>Total changes in operating assets and liabilities</b>	(4,117,302)	5,393,495
<b>Total adjustments</b>	627,388	9,323,933
Cash inflow generated from operations	632,923	15,888,089
Interest received	193,537	245,001
Interest paid	(13,353)	(14,759)
Income taxes paid	(417,866)	(3,508,313)
<b>Net cash flows from operating activities</b>	395,241	12,610,018
<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	(1,780,982)	(10,439,325)
Proceeds from disposal of property, plant and equipment	26,127	23,829
Increase in other financial assets	(173,752)	-
Decrease in other non-current assets	5,918	2,117
Dividends received	14,936	56,364
<b>Net cash flows used in investing activities</b>	(1,907,753)	(10,633,621)
<b>Cash flows used in financing activities:</b>		
Increase in guarantee deposits received	78,911	76,924
Payment of lease liabilities	(197,758)	(190,649)
Cash dividends paid	(3,553,910)	(11,630,978)
<b>Net cash flows used in financing activities</b>	(3,672,757)	(11,744,703)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	299,344	169,399
<b>Net decrease in cash and cash equivalents</b>	(4,885,925)	(9,598,907)
<b>Cash and cash equivalents at beginning of period</b>	12,329,798	20,044,117
<b>Cash and cash equivalents at end of period</b>	\$ 7,443,873	10,445,210

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 Nine Months Ended September 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 November 5, 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.

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## 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 (%)		
			September 30, 2024	December 31, 2023	September 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>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Cash on hand	\$ 3	-	4
Cash in banks	979,256	5,829,891	5,039,280
Time deposits	4,014,796	2,403,402	3,442,009
Cash equivalents	<u>2,449,818</u>	<u>4,096,505</u>	<u>1,963,917</u>
	<b><u>\$ 7,443,873</u></b>	<b><u>12,329,798</u></b>	<b><u>10,445,210</u></b>

As of September 30, 2024, December 31 and September 30, 2023, the time deposits more than three months of the Group amounted to \$451,674, \$277,922 and \$0, respectively, have been reclassified to prepayments and other current assets.

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

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

(b) Notes and accounts receivables

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable	\$ 2,946	2,170	-
Accounts receivable— non-related parties- measured at amortized cost	7,753,341	6,870,754	8,570,338
Accounts receivable— related parties-measured at amortized cost	35,836	47,714	42,026
Less: Loss allowance	(23,004)	(23,004)	(47,954)
	<u><u>\$ 7,769,119</u></u>	<u><u>6,897,634</u></u>	<u><u>8,564,410</u></u>

As of September 30, 2024, December 31 and September 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.

	<u>September 30, 2024</u>		
	<b>Notes and Accounts receivables gross carrying amount</b>	<b>Weighted average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 7,548,622	0.283%	21,362
Past due within 3 months	243,498	0.673%	1,639
More than 1 year past due	3	100%	3
	<u><u>\$ 7,792,123</u></u>		<u><u>23,004</u></u>

  

	<u>December 31, 2023</u>		
	<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>

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

	<b>September 30, 2023</b>		
	<b>Accounts receivables gross carrying amount</b>	<b>Weighted average loss rate</b>	<b>Loss allowance provision</b>
Current	\$ 8,452,264	0.534%	45,154
Past due within 3 months	160,012	1.747%	2,796
Past due 3 to 6 months	88	4.443%	4
	<u><u>\$ 8,612,364</u></u>		<u><u>47,954</u></u>

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

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

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

(c) Other receivables

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Other receivables—related parties	\$ 3,014	2,302	2,527
Tax refund receivable	145,105	584,092	258,927
Others	23,873	28,554	39,778
	<u><u>\$ 171,992</u></u>	<u><u>614,948</u></u>	<u><u>301,232</u></u>

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

(d) Inventories

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Finished goods	\$ 394,685	730,810	906,420
Work in process	2,197,246	1,883,362	2,262,174
Raw materials	913,605	788,959	996,814
Supplies	466,143	493,092	687,587
	<u><u>\$ 3,971,679</u></u>	<u><u>3,896,223</u></u>	<u><u>4,852,995</u></u>

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

The details of costs of sales were as follows:

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Inventory that has been sold	\$ 7,550,265	8,706,189	20,797,389	25,780,465
Write-down of inventories (Reversal of write-downs)	143	30	2,399	(36)
Unapportioned manufacturing expenses	<u>1,103,727</u>	<u>-</u>	<u>3,272,496</u>	<u>-</u>
	<b><u>\$ 8,654,135</u></b>	<b><u>8,706,219</u></b>	<b><u>24,072,284</u></b>	<b><u>25,780,429</u></b>

For the nine months ended September 30, 2024, the write-down of inventories amounted to \$2,399.

For the nine months ended September 30, 2023, net realizable value of inventories has increased due to the increase in market price, the reversal of write-downs amounted to \$36.

As of September 30, 2024, December 31 and September 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:

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Associates	\$ <u>474,093</u>	<u>486,857</u>	<u>483,406</u>

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

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Attributable to the Group:				
Net income	\$ 3,396	1,319	22,644	15,397
Other comprehensive income	<u>(10,434)</u>	<u>(4,884)</u>	<u>(23,469)</u>	<u>(2,026)</u>
Total comprehensive income	<b><u>\$ (7,038)</u></b>	<b><u>(3,565)</u></b>	<b><u>(825)</u></b>	<b><u>13,371</u></b>

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

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**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	-	170,418	297	40,837	1,569,430	1,780,982
Disposals	-	(1,218,262)	(849)	(20,265)	-	(1,239,376)
Reclassification	58,916	1,456,712	-	65,427	(1,581,055)	-
Effect of exchange rate changes	<u>94,273</u>	<u>1,243,726</u>	<u>127</u>	<u>8,941</u>	<u>7,175</u>	<u>1,354,242</u>
Balance as of September 30, 2024	<u><b>\$ 4,662,862</b></u>	<u><b>67,959,373</b></u>	<u><b>22,912</b></u>	<u><b>6,216,590</b></u>	<u><b>8,307,929</b></u>	<u><b>87,169,666</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	-	272,612	3,463	73,990	10,089,260	10,439,325
Disposals	-	(2,300,427)	(1,368)	(23,995)	-	(2,325,790)
Reclassification	41,826	14,096,616	720	1,466,327	(15,605,489)	-
Effect of exchange rate changes	<u>45,437</u>	<u>579,435</u>	<u>62</u>	<u>4,183</u>	<u>12,725</u>	<u>641,842</u>
Balance as of September 30, 2023	<u><b>\$ 4,591,614</b></u>	<u><b>66,569,635</b></u>	<u><b>23,448</b></u>	<u><b>6,092,361</b></u>	<u><b>8,589,170</b></u>	<u><b>85,866,228</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	128,514	4,299,241	1,539	207,927	-	4,637,221
Reversal of impairment loss	-	(75)	-	-	-	(75)
Disposals	-	(1,191,591)	(849)	(19,861)	-	(1,212,301)
Reclassification	-	220	-	(220)	-	-
Effect of exchange rate changes	<u>64,034</u>	<u>641,685</u>	<u>98</u>	<u>7,129</u>	<u>-</u>	<u>712,946</u>
Balance as of September 30, 2024	<u><b>\$ 3,204,658</b></u>	<u><b>39,113,281</b></u>	<u><b>13,410</b></u>	<u><b>3,973,626</b></u>	<u><b>-</b></u>	<u><b>46,304,975</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	123,590	3,810,065	1,399	176,476	-	4,111,530
Reversal of impairment loss	-	(65)	(7)	-	-	(72)
Disposals	-	(2,235,227)	(1,262)	(23,132)	-	(2,259,621)
Reclassification	-	(174)	-	174	-	-
Effect of exchange rate changes	<u>30,115</u>	<u>287,278</u>	<u>45</u>	<u>5,131</u>	<u>-</u>	<u>322,569</u>
Balance as of September 30, 2023	<u><b>\$ 3,025,572</b></u>	<u><b>35,151,231</b></u>	<u><b>12,218</b></u>	<u><b>3,829,459</b></u>	<u><b>-</b></u>	<u><b>42,018,480</b></u>
<b>Carrying amounts:</b>						
Balance as of September 30, 2024	<u><b>\$ 1,458,204</b></u>	<u><b>28,846,092</b></u>	<u><b>9,502</b></u>	<u><b>2,242,964</b></u>	<u><b>8,307,929</b></u>	<u><b>40,864,691</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 September 30, 2023	<u><b>\$ 1,566,042</b></u>	<u><b>31,418,404</b></u>	<u><b>11,230</b></u>	<u><b>2,262,902</b></u>	<u><b>8,589,170</b></u>	<u><b>43,847,748</b></u>

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

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**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	-	14,224	14,224
Change in an index of lease payment	8,683	28,329	37,012
Effect of exchange rate changes	<u>1,422</u>	<u>-</u>	<u>1,422</u>
Balance as of September 30, 2024	<u><b>\$ 429,540</b></u>	<u><b>2,178,168</b></u>	<u><b>2,607,708</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>685</u>	<u>-</u>	<u>685</u>
Balance as of September 30, 2023	<u><b>\$ 420,677</b></u>	<u><b>2,135,615</b></u>	<u><b>2,556,292</b></u>
<b>Accumulated depreciation:</b>			
Balance as of January 1, 2024	\$ 163,316	684,542	847,858
Depreciation for the period	54,730	147,810	202,540
Effect of exchange rate changes	<u>226</u>	<u>-</u>	<u>226</u>
Balance as of September 30, 2024	<u><b>\$ 218,272</b></u>	<u><b>832,352</b></u>	<u><b>1,050,624</b></u>
Balance as of January 1, 2023	\$ 93,315	491,559	584,874
Depreciation for the period	52,384	144,737	197,121
Effect of exchange rate changes	<u>101</u>	<u>-</u>	<u>101</u>
Balance as of September 30, 2023	<u><b>\$ 145,800</b></u>	<u><b>636,296</b></u>	<u><b>782,096</b></u>
<b>Carrying amount:</b>			
Balance as of September 30, 2024	<u><b>\$ 211,268</b></u>	<u><b>1,345,816</b></u>	<u><b>1,557,084</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 September 30, 2023	<u><b>\$ 274,877</b></u>	<u><b>1,499,319</b></u>	<u><b>1,774,196</b></u>

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**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:

	September 30, 2024	December 31, 2023	September 30, 2023
Current	\$ <u>264,930</u>	<u>255,702</u>	<u>257,508</u>
Non-current	\$ <u>1,281,929</u>	<u>1,437,679</u>	<u>1,500,184</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 September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Interest on lease liabilities	\$ <u>4,002</u>	<u>4,547</u>	<u>12,353</u>	<u>14,107</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>8,078</u>	<u>10,578</u>	<u>24,432</u>	<u>35,649</u>

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

	For the nine months ended September 30,	
	2024	2023
Total cash outflow for leases	\$ <u>234,543</u>	<u>240,405</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.

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**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 September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Operating costs	\$ 5,082	8,593	15,206	25,879
Selling expenses	211	335	621	972
Administrative expenses	803	1,370	2,462	4,045
	<u>\$ 6,096</u>	<u>10,298</u>	<u>18,289</u>	<u>30,896</u>

(ii) Defined contribution plan

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Operating costs	\$ 109,158	115,034	326,623	357,685
Selling expenses	1,943	2,136	5,930	5,834
Administrative expenses	14,994	15,063	44,295	47,614
	<u>\$ 126,095</u>	<u>132,233</u>	<u>376,848</u>	<u>411,133</u>

(j) Income tax

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Current income tax expense	\$ 81,194	181,245	54,582	1,145,740
Deferred income tax (benefit) expense	(72,760)	186,006	(74,115)	444,998
Total income tax (benefit) expense	<u>\$ 8,434</u>	<u>367,251</u>	<u>(19,533)</u>	<u>1,590,738</u>

(Continued)

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

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

	<b>For the three months ended September 30,</b>		<b>For the nine months ended September 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Components of other comprehensive income that will be reclassified to profit or loss:				
Exchange differences on translation of foreign financial statements	<b>\$ (39,000)</b>	<b>200,040</b>	<b>196,436</b>	<b>92,574</b>

- (iii) 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 nine months ended September 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:

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
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	359	340	314
	<b>\$ 18,125,634</b>	<b>18,125,615</b>	<b>18,125,589</b>

(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	785,743	-	785,743
Unrealized gains (losses) on financial assets at fair value through other comprehensive income	-	(76,997)	(76,997)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	(23,469)	(23,469)
Balances as of September 30, 2024	<u><b>\$ (270,916)</b></u>	<u><b>(156,381)</b></u>	<u><b>(427,297)</b></u>
Balances as of January 1, 2023	\$ (744,544)	(17,103)	(761,647)
Exchange differences on translation of foreign operations	370,293	-	370,293
Unrealized gains (losses) on financial assets at fair value through other comprehensive income	-	(37,526)	(37,526)
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income, associates accounted for using equity method	-	(2,026)	(2,026)
Balances as of September 30, 2023	<u><b>\$ (374,251)</b></u>	<u><b>(56,655)</b></u>	<u><b>(430,906)</b></u>

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

(l) Earnings per share

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

(i) Basic earnings per share

1) Net profit attributable to equity shareholders of the Company

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Net profit attributable to equity shareholders of the Company	\$ <u>58,891</u>	<u>1,075,637</u>	<u>25,068</u>	<u>4,973,418</u>

2) Weighted average number of ordinary shares outstanding

	For the three months ended September 30,		For the nine months ended September 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 profit attributable to equity shareholders of the Company (diluted)

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Net profit attributable to equity shareholders of the Company (diluted)	\$ <u>58,891</u>	<u>1,075,637</u>	<u>25,068</u>	<u>4,973,418</u>

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**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 September 30,		For the nine months ended September 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)	-	47	15	86
Weighted average number of ordinary shares outstanding (diluted) (in thousands of shares)	<u>646,166</u>	<u>646,213</u>	<u>646,181</u>	<u>646,252</u>

(m) Revenue from contracts with customers

(i) Disaggregation of revenue

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Primary geographical markets:				
Taiwan	\$ 2,955,684	2,996,164	7,926,572	11,667,553
USA	535,448	725,366	1,907,941	1,834,742
Mainland China	4,428,199	4,441,541	10,988,507	13,125,643
Korea	367,959	525,554	963,034	1,878,937
Other countries	904,581	1,538,759	2,626,995	4,434,809
	<u>\$ 9,191,871</u>	<u>10,227,384</u>	<u>24,413,049</u>	<u>32,941,684</u>
Major products:				
Printed circuit board	\$ 8,939,562	10,050,998	23,747,174	32,433,256
Others	252,309	176,386	665,875	508,428
	<u>\$ 9,191,871</u>	<u>10,227,384</u>	<u>24,413,049</u>	<u>32,941,684</u>

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

(ii) Contract balances

	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Notes receivable	\$ 2,946	2,170	-
Accounts receivable — non-related parties	7,753,341	6,870,754	8,570,338
Accounts receivable — related parties	35,836	47,714	42,026
Less: Loss allowance	<u>(23,004)</u>	<u>(23,004)</u>	<u>(47,954)</u>
	<b><u>\$ 7,769,119</u></b>	<b><u>6,897,634</u></b>	<b><u>8,564,410</u></b>
	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Contract liabilities — unearned sales	<b><u>\$ 8,287,882</u></b>	<b><u>9,225,425</u></b>	<b><u>9,272,841</u></b>
	<b>September 30, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>
Current	\$ 2,218,144	1,991,749	1,912,696
Non-current	<u>6,069,738</u>	<u>7,233,676</u>	<u>7,360,145</u>
	<b><u>\$ 8,287,882</u></b>	<b><u>9,225,425</u></b>	<b><u>9,272,841</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 nine months ended September 30, 2024 and 2023 that were included in the contract liability balance at the beginning of the period were \$1,465,496 and \$788,364, 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 \$49, \$2,694, \$49 and \$12,422 for the three months and nine months ended September 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 September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Interest income from bank deposits	\$ 45,854	60,828	170,816	235,147
Other interest income	4,963	7,314	23,701	18,406
	<u>\$ 50,817</u>	<u>68,142</u>	<u>194,517</u>	<u>253,553</u>

(ii) Other income

The details of other income were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Rental income	\$ 10,004	13,299	31,692	41,414
Dividend revenue	2,996	-	2,996	12,583
Government grants	1,077	18,637	209,280	60,635
Others	58,695	16,758	200,596	65,694
	<u>\$ 72,772</u>	<u>48,694</u>	<u>444,564</u>	<u>180,326</u>

(iii) Other gains and losses

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Losses on disposal of property, plant and equipment	\$ (1,285)	(3,352)	(948)	(42,340)
Net foreign exchange gains (losses)	(178,045)	282,962	236,484	478,067
Reversal of impairment loss on property, plant and equipment	-	59	75	72
Others	(942)	19,175	(2,429)	53,891
	<u>\$ (180,272)</u>	<u>298,844</u>	<u>233,182</u>	<u>489,690</u>

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**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 September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Interest expense	\$ <u>(4,347)</u>	<u>(4,783)</u>	<u>(13,353)</u>	<u>(14,759)</u>

(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>September 30, 2024</b>							
Non-derivative financial liabilities							
Accounts payable (including related parties)	\$ 1,803,361	1,803,361	1,803,361	-	-	-	-
Other payables (including related parties)	1,942,029	1,942,029	1,942,029	-	-	-	-
Lease liabilities (including current portion)	<u>1,546,859</u>	<u>1,599,569</u>	<u>142,088</u>	<u>137,136</u>	<u>272,780</u>	<u>598,609</u>	<u>448,956</u>
	<b>\$ <u>5,292,249</u></b>	<b><u>5,344,959</u></b>	<b><u>3,887,478</u></b>	<b><u>137,136</u></b>	<b><u>272,780</u></b>	<b><u>598,609</u></b>	<b><u>448,956</u></b>
<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)	<u>1,693,381</u>	<u>1,756,898</u>	<u>137,007</u>	<u>134,531</u>	<u>264,109</u>	<u>635,624</u>	<u>585,627</u>
	<b>\$ <u>7,537,691</u></b>	<b><u>7,601,208</u></b>	<b><u>5,981,317</u></b>	<b><u>134,531</u></b>	<b><u>264,109</u></b>	<b><u>635,624</u></b>	<b><u>585,627</u></b>
<b>September 30, 2023</b>							
Non-derivative financial liabilities							
Accounts payable (including related parties)	\$ 4,014,538	4,014,538	4,014,538	-	-	-	-
Other payables (including related parties)	2,745,228	2,745,228	2,745,228	-	-	-	-
Lease liabilities (including current portion)	<u>1,757,692</u>	<u>1,825,587</u>	<u>137,007</u>	<u>137,007</u>	<u>264,109</u>	<u>653,036</u>	<u>634,428</u>
	<b>\$ <u>8,517,458</u></b>	<b><u>8,585,353</u></b>	<b><u>6,896,773</u></b>	<b><u>137,007</u></b>	<b><u>264,109</u></b>	<b><u>653,036</u></b>	<b><u>634,428</u></b>

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

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**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>September 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	\$ 289,721	31.6510	9,169,968
EUR	1,205	35.2472	42,480
JPY	9,668	0.2220	2,146
CNY	40	4.5167	179
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	16,815	31.6510	532,198
EUR	18	35.2472	634
JPY	338,791	0.2220	75,212
<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

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

<b>September 30, 2023</b>			
	<b>Foreign currency</b>	<b>Exchange rate</b>	<b>New Taiwan Dollars</b>
<b>Financial assets</b>			
<u>Monetary items</u>			
USD	\$	294,532	32.2680
EUR		670	33.8573
JPY		1,239	0.2155
CNY		32	4.4942
<b>Financial liabilities</b>			
<u>Monetary items</u>			
USD		24,150	32.2680
EUR		106	33.8573
JPY		2,001,299	0.2155
CNY		8	4.4942

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 September 30, 2024 and 2023 would have increased or decreased the net income before tax by \$86,067 and \$83,129 for the nine months ended September 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 nine months ended September 30, 2024 and 2023 were the net exchange gain (loss) of \$236,484 and \$478,067, 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 nine months ended September 30, 2024 and 2023, will have no significant impact on the Group's profit.

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**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:

		September 30, 2024				
		Carrying Amount	Fair Value			
			Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income						
Domestic listed stocks	\$	<u>160,286</u>	<u>160,286</u>	<u>-</u>	<u>-</u>	<u>160,286</u>
Financial assets measured by amortized cost						
Cash and cash equivalents	\$	7,443,873	-	-	-	-
Notes and accounts receivable, net (including related parties)		7,769,119	-	-	-	-
Other receivables (including related parties)		26,887	-	-	-	-
Other financial assets (recognized as other current assests)		<u>451,674</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$	<u>15,851,839</u>	<u>160,286</u>	<u>-</u>	<u>-</u>	<u>160,286</u>
Financial liabilities measured by amortized cost						
Accounts payable (including related parties)	\$	1,803,361	-	-	-	-
Other payables (including related parties)		1,942,029	-	-	-	-
Lease liabilities (including current portion)		<u>1,546,859</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$	<u>5,292,249</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		December 31, 2023				
		Carrying Amount	Fair Value			
			Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income						
Domestic listed stocks	\$	<u>237,283</u>	<u>237,283</u>	<u>-</u>	<u>-</u>	<u>237,283</u>
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 assests)		<u>277,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$	<u>19,773,493</u>	<u>237,283</u>	<u>-</u>	<u>-</u>	<u>237,283</u>

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

	December 31, 2023				
	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
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	-	-	-	-
Total	<u>\$ 7,537,691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	September 30, 2023				
	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income					
Domestic listed stocks	<u>\$ 239,080</u>	<u>239,080</u>	<u>-</u>	<u>-</u>	<u>239,080</u>
Financial assets measured by amortized cost					
Cash and cash equivalents	\$ 10,445,210	-	-	-	-
Accounts receivable, net (including related parties)	8,564,410	-	-	-	-
Other receivables (including related parties)	42,305	-	-	-	-
Total	<u>\$ 19,291,005</u>	<u>239,080</u>	<u>-</u>	<u>-</u>	<u>239,080</u>
Financial liabilities measured by amortized cost					
Accounts payable (including related parties)	4,014,538	-	-	-	-
Other payables (including related parties)	2,745,228	-	-	-	-
Lease liabilities (including current portion)	1,757,692	-	-	-	-
Total	<u>\$ 8,517,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(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.

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**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 nine months ended September 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		September 30, 2024
			Foreign exchange movement	Acquisition	
Lease liabilities(including current portion)	\$ 1,693,381	(197,758)	-	51,236	1,546,859
Total liabilities from financing activities	<u>\$ 1,693,381</u>	<u>(197,758)</u>	<u>-</u>	<u>51,236</u>	<u>1,546,859</u>

	January 1, 2023	Cash flows	Non-cash changes		September 30, 2023
			Foreign exchange movement	Acquisition	
Lease liabilities(including current portion)	\$ 1,914,389	(190,649)	-	33,952	1,757,692
Total liabilities from financing activities	<u>\$ 1,914,389</u>	<u>(190,649)</u>	<u>-</u>	<u>33,952</u>	<u>1,757,692</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

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**NAN YA PRINTED CIRCUIT BOARD CORPORATION AND SUBSIDIARIES**  
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<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 September 30,</u>		<u>For the nine months ended September 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Associates	\$ 125,832	85,027	480,981	421,007
Other related parties	194	141	431	617
	<u>\$ 126,026</u>	<u>85,168</u>	<u>481,412</u>	<u>421,624</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>September 30, 2024</u>	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Accounts receivable due from related parties	Associates	\$ 35,745	47,636	42,026
Accounts receivable due from related parties	Other related parties	91	78	-
		<u>\$ 35,836</u>	<u>47,714</u>	<u>42,026</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 September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
The parent company	\$ 465,465	462,557	1,238,918	1,424,266
Other related parties				
NEMK	243,070	204,940	594,136	579,962
WTC	30,098	39,145	116,107	103,954
Others	30,330	54,445	77,346	172,336
	<u>\$ 768,963</u>	<u>761,087</u>	<u>2,026,507</u>	<u>2,280,518</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	September 30, 2024	December 31, 2023	September 30, 2023
Accounts payable to related parties	The parent company	\$ 152,561	129,744	160,147
Accounts payable to related parties	Other related parties NEMK	81,265	47,725	71,037
Accounts payable to related parties	WTC	13,723	20,723	22,723
Accounts payable to related parties	NENC	114	1,775	20,520
Accounts payable to related parties	Nanya Technology Corporation	-	124,000	8,586
Accounts payable to related parties	Others	6,582	6,354	11,081
		<u>\$ 254,245</u>	<u>330,321</u>	<u>294,094</u>

(Continued)

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

(v) Property transaction

The Group purchased fixed assets from other related parties-Nan Ya Electronic Materials (Kunshan) Co., Ltd. with the acquisition price of \$118 for the nine months ended September 30, 2024. There was no unpaid balance as of September 30, 2024.

(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:

	Lease revenue			
	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
The parent company	\$ <u>3,173</u>	<u>3,109</u>	<u>9,391</u>	<u>9,327</u>

The rentals charged to related parties are determined based on the local market prices and monthly rentals, depending on the contract. As of September 30, 2024, December 31 and September 30, 2023, all rentals have been collected by the Group.

- 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 nine months ended September 30, 2024 and 2023, the above rentals amounting to \$6,985, \$8,235, \$22,848 and \$25,047, respectively, were recognized as expenses. For the three months and nine months ended September 30, 2024 and 2023, the amount of \$3,989, \$4,500, \$12,287 and \$13,950 was recognized as interest expense. As of September 30, 2024, December 31 and September 30, 2023 the balance of lease liabilities amounting to \$1,538,968, \$1,681,577 and \$1,742,705 respectively.

The Group added a right-of-use asset amounting to \$9,284 and \$0, for the nine months ended September 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 \$73,798, \$81,629, \$256,290 and \$251,103, for the three months and nine months ended September 30, 2024 and 2023, respectively. As of September 30, 2024, December 31 and September 30, 2023, the Group still had unpaid payables accounted for as other payables to related parties amounting to \$52,918, \$36,206 and \$61,057, respectively.

For the three months and nine months ended September 30, 2024 and 2023, the Group provides sewage treatment service to Nan Ya Electronic Materials (Kunshan) Co., Ltd. and receives \$7,896, \$6,977, \$19,369 and \$20,267, respectively. As of September 30, 2024, December 31 and September 30, 2023, the Group still had uncollected receivables accounted for as other receivables due from related parties amounting to \$3,014, \$2,302 and \$2,527, respectively.

(d) Key management personnel compensation

Key management personnel compensation comprised

	For the three months ended September 30,		For the nine months ended September 30,	
	2024	2023	2024	2023
Short-term employee benefits	\$ <u>7,313</u>	<u>8,749</u>	<u>21,938</u>	<u>27,205</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:

	September 30, 2024	December 31, 2023	September 30, 2023
Outstanding letters of credit for the importation of raw materials	\$ <u>3,716</u>	<u>291,446</u>	<u>1,052,866</u>

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

	September 30, 2024	December 31, 2023	September 30, 2023
The guarantee for customs	\$ <u>26,000</u>	<u>22,000</u>	<u>22,000</u>
The guarantee for letters of credit	\$ <u>39,500</u>	<u>48,000</u>	<u>48,000</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 September 30, 2024			For the three months ended September 30, 2023		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salaries	1,700,441	179,456	1,879,897	1,763,737	184,374	1,948,111
Labor and health insurance	142,073	18,619	160,692	160,874	19,021	179,895
Pension expenses	114,240	17,951	132,191	123,627	18,904	142,531
Remuneration of directors	-	1,500	1,500	-	1,500	1,500
Other personnel expenses	54,715	6,862	61,577	55,712	7,655	63,367
Depreciation expenses	1,615,579	6,881	1,622,460	1,534,219	5,831	1,540,050

	For the nine months ended September 30, 2024			For the nine months ended September 30, 2023		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salaries	4,865,141	515,238	5,380,379	5,674,660	574,906	6,249,566
Labor and health insurance	433,302	56,076	489,378	511,423	59,075	570,498
Pension expenses	341,829	53,308	395,137	383,564	58,465	442,029
Remuneration of directors	-	4,610	4,610	-	4,775	4,775
Other personnel expenses	164,432	20,325	184,757	167,567	24,078	191,645
Depreciation expenses	4,819,779	19,982	4,839,761	4,292,297	16,354	4,308,651

(b) The seasonality of operation

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

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## 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 September 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	160,286	0.05 %	160,286	-

- (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	1,220,540	17.20 %	O/A 30 days	-	-	(150,178)	(15.25)%	-
The Company	NPKC	Subsidiary of the Company	Purchase	3,095,538	43.61 %	O/A 30 days	-	-	(331,108)	(33.62)%	Note
The Company	FATC	Associates	(sale)	(167,520)	(1.02)%	O/A 70 days	-	-	10,493	0.23%	-
NPKC	The Company	Parent company	(sale)	(3,095,538)	(27.75)%	O/A 30 days	-	-	331,108	9.35%	Note
NPKC	FATC	Associates	(sale)	(313,461)	(2.81)%	O/A 70 days	-	-	25,252	0.71%	-
NPKC	NEMK	Same chairman	Purchase	594,136	9.85 %	O/A 60 days	-	-	(81,265)	(7.07)%	-
NPKC	WTC	Same chairman	Purchase	101,335	1.68 %	O/A 60 days	-	-	(13,661)	(1.19)%	-

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	331,108	12.72	-		331,108	-

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

- (ix) Trading in derivative instruments: None

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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	3,095,538	O/A 30 days	12.68%
1	NPKC	The Company	2	Accounts receivable due from related parties	331,108	O/A 30 days	0.52%

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 nine months ended September 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 September 30, 2024			Net income (losses) of investee	Share of profits/(losses) of investee	Note
				September 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 %	22,728,983	(126,220)	(126,220)	Note1
The Company	NPUC	USA	Customer sales promotion	3,479	3,479	1,000	100.00 %	21,293	1,082	1,082	Note1
The Company	FATC	TW	Assembling testing and producing modules for IC	472,968	472,968	13,267	3.00 %	474,093	753,527	22,644	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 September 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	(126,935)	100.00%	(126,935)	22,713,511	1,948,560
										(Note 2)		

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 September 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 nine months ended September 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 September 30, 2024					
	Domestic	American	Asian	Adjustments and elimination	Total
Revenue:					
From external clients	\$ 6,131,329	-	3,060,542	-	9,191,871
Intersegments	1,439	7,158	1,113,625	(1,122,222)	-
Total revenue	<u>\$ 6,132,768</u>	<u>7,158</u>	<u>4,174,167</u>	<u>(1,122,222)</u>	<u>9,191,871</u>
Income/Loss of reportable segments	<u>\$ 67,303</u>	<u>346</u>	<u>(21,265)</u>	<u>20,941</u>	<u>67,325</u>
For the three months ended September 30, 2023					
	Domestic	American	Asian	Adjustments and elimination	Total
Revenue:					
From external clients	\$ 7,003,050	-	3,224,334	-	10,227,384
Intersegments	3,636	7,132	1,066,311	(1,077,079)	-
Total revenue	<u>\$ 7,006,686</u>	<u>7,132</u>	<u>4,290,645</u>	<u>(1,077,079)</u>	<u>10,227,384</u>
Income/Loss of reportable segments	<u>\$ 1,344,546</u>	<u>(73)</u>	<u>356,976</u>	<u>(258,561)</u>	<u>1,442,888</u>

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

<b>For the nine months ended September 30, 2024</b>					
	<b>Domestic</b>	<b>American</b>	<b>Asian</b>	<b>Adjustments and elimination</b>	<b>Total</b>
Revenue:					
From external clients	\$ 16,355,329	-	8,057,720	-	24,413,049
Intersegments	2,668	23,044	3,095,538	(3,121,250)	-
Total revenue	<u>\$ 16,357,997</u>	<u>23,044</u>	<u>11,153,258</u>	<u>(3,121,250)</u>	<u>24,413,049</u>
Income/Loss of reportable segments	<u>\$ 24,245</u>	<u>1,760</u>	<u>(145,608)</u>	<u>125,138</u>	<u>5,535</u>
<b>For the nine months ended September 30, 2023</b>					
	<b>Domestic</b>	<b>American</b>	<b>Asian</b>	<b>Adjustments and elimination</b>	<b>Total</b>
Revenue:					
From external clients	\$ 22,529,640	-	10,412,044	-	32,941,684
Intersegments	13,554	22,579	2,910,454	(2,946,587)	-
Total revenue	<u>\$ 22,543,194</u>	<u>22,579</u>	<u>13,322,498</u>	<u>(2,946,587)</u>	<u>32,941,684</u>
Income/Loss of reportable segments	<u>\$ 6,198,644</u>	<u>1,831</u>	<u>2,136,763</u>	<u>(1,773,082)</u>	<u>6,564,156</u>
	<b>Domestic</b>	<b>American</b>	<b>Asian</b>	<b>Adjustments and elimination</b>	<b>Total</b>
<b>Assets of reportable segments</b>					
September 30, 2024	<u>\$ 62,084,732</u>	<u>21,340</u>	<u>24,744,424</u>	<u>(23,234,031)</u>	<u>63,616,465</u>
December 31, 2023	<u>\$ 68,882,105</u>	<u>19,640</u>	<u>25,788,681</u>	<u>(24,252,981)</u>	<u>70,437,445</u>
September 30, 2023	<u>\$ 69,138,112</u>	<u>20,471</u>	<u>27,138,511</u>	<u>(24,849,063)</u>	<u>71,448,031</u>
<b>Liabilities of reportable segments</b>					
September 30, 2024	<u>\$ 17,020,362</u>	<u>47</u>	<u>1,948,316</u>	<u>(416,630)</u>	<u>18,552,095</u>
December 31, 2023	<u>\$ 20,974,189</u>	<u>-</u>	<u>1,899,401</u>	<u>(344,061)</u>	<u>22,529,529</u>
September 30, 2023	<u>\$ 21,742,383</u>	<u>13</u>	<u>2,716,722</u>	<u>(406,816)</u>	<u>24,052,302</u>