ONYX Healthcare Inc. and Subsidiaries
Consolidated Financial Statements and Independent Auditor's Review Report
For the First Quarter of 2024 and 2023
(Stock code: 6569)

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For the convenience of readers and for information purpose only, the independent auditors' review report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language independent auditors' review report and financial statements shall prevail.

ONYX Healthcare Inc. and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Review Report for the First Quarter of 2024 and 2023

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Independent Auditor's Review Report

(113)-Cai-Shen-Bao-Zi No. 24000062

To stakeholders of ONYX Healthcare Inc.:

Preamble

We have reviewed the accompanying consolidated balance sheet of ONYX Healthcare Inc. and subsidiaries (referred to as "ONYX Group" below) as of March 31, 2024 and 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated cash flow statement from January 1 to March 31, 2024 and 2023, and notes to consolidated financial statements (including a summary of significant accounting policies). It is the responsibility of the management to prepare and ensure fair presentation of consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the version of IAS 34 - "Interim Financial Reporting" approved and published by the Financial Supervisory Commission. Our responsibility as auditor is to form a conclusion based on our review.

Scope

Except for the issues discussed in the "Basis of reservation" paragraph, we, the auditors, have performed the review in accordance with Standards on Review Engagements No. 2410 - "Financial Statement Review." The procedures executed in our review of consolidated financial statements include inquiry (mainly with employees responsible for financial and accounting affairs), analysis, and other review-related processes. The scope of financial statement review is significantly smaller than a financial statement audit, therefore we may not be able to detect all material issues through the steps we have taken, and are therefore unable to provide an audit opinion.

Basis of reservation

As mentioned in Notes 4(3) and 6(7) of the consolidated financial statements, some of the non-material subsidiaries and equity-accounted investments were consolidated using financial statements for the corresponding periods that were not reviewed by CPAs. As at March 31, 2024 and 2023, these entities aggregately reported total assets of NT$57,675 thousand and NT$45,661 thousand represented 3% and 2% of consolidated total assets, and total liabilities of NT$10,299 thousand and NT$5,805 thousand that represented 2% and 1% of consolidated total liabilities, respectively. These entities also reported total comprehensive income of NT$(193) thousand and NT$(2,218) thousand, which represented (0%) and (4%) of consolidated total comprehensive income for the periods January 1 to March 31, 2024 and 2023, respectively. Balance of equity-accounted investments was reported at NT$33,185 thousand and NT$34,069 thousand as at March 31, 2024 and 2023, representing 2% and 2% of consolidated total assets, respectively. Share of net income and other comprehensive income from equity-accounted associated companies for the period from January 1 to March 31, 2024 and 2023, amounted to NT$(1,500) thousand and NT$(786) thousand, representing (3%) and (1%) of consolidated comprehensive income, respectively.

Reservations

Based on our review and the review reports of other CPAs (please refer to the Other issues paragraph), we found that none of the material disclosures of the consolidated financial statements mentioned above exhibited any misstatement that did not conform with Regulations Governing the Preparation of Financial Reports by Securities Issuers or the version of IAS 34 - "Interim Financial Reporting" approved, published, and effected by the Financial Supervisory Commission, or compromised the fair view of the consolidated financial position of ONYX Group as of March 31, 2024 and 2023, or the consolidated financial performance and consolidated cash flow for the periods January 1 to March 31, 2024 and 2023, except for the issues discussed in the "Basis of reservation" paragraph, where financial statements of certain non-material subsidiaries and equity-accounted investments had yet to be reviewed by CPAs, and may cause adjustments to the consolidated financial statements if they were CPA-reviewed.

Other issues - reviews by other CPAs

Amongst the equity-accounted business investments presented in the consolidated financial statements of ONYX Group, some of which had financial statements reviewed by other CPAs that we did not take part in. Therefore, amounts presented in the consolidated financial statements mentioned above in regards to such businesses were based on auditor-reviewed reports of other CPAs. As at March 31, 2024 and 2023, balances of the abovementioned equity-accounted investments totaled NT$649,455 thousand and NT$624,560 thousand, representing 29% and 31% of consolidated total assets, respectively. For the periods from January 1 to March 31, 2024 and 2023, comprehensive income recognized from the abovementioned companies totaled NT$19,928 thousand and NT$17,922 thousand, representing 33% and 30% of consolidated comprehensive income, respectively.

PwC Taiwan

CPA

Chang, Shu-Chiung
Lin, Chun-Yao

Former Financial Supervisory Commission, Executive Yuan
Approval reference: Jin-Guan-Zheng-Shen-Zi No. 0990042602
(Formerly known as) Securities and Futures Commission, Ministry of Finance
Approval reference: (85)-Tai-Cai-Zheng-(VI) No. 68702

May 8, 2024

ONYX Healthcare Inc. and Subsidiaries
Consolidated balance sheet
As of March 31, 2024, December 31, 2023, and March 31, 2023

Unit: NT$ thousand

	Assets	Note	March 31, 2024 Amount	%	December 31, 2023 Amount	%	March 31, 2023 Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 426,090	19	$ 366,767	18	$ 353,587	18
1110	Financial assets at fair value through profit or loss - current	6(2)	7,602	-	11,389	1	10,723	-
1136	Financial assets at amortized cost - current	6(3) and 8	32,960	2	31,626	2	-	-
1150	Net notes receivable	6(4)	-	-	3	-	3,439	-
1170	Net accounts receivable	6(4)	142,751	6	191,375	9	199,724	10
1180	Accounts receivable - related parties, net	7	1,736	-	748	-	2,695	-
1200	Other receivables	7	13,725	1	2,144	-	3,300	-
1220	Current income tax asset		1,255	-	695	-	1,735	-
130X	Inventory	6(5)	282,942	13	245,689	12	326,150	16
1410	Prepayments		23,762	1	18,294	1	33,559	2
1470	Other current assets	8	3,011	-	2,235	-	1,936	-
11XX	**Total current assets**		935,834	42	870,965	43	936,848	46
	Non-current assets							
1510	Financial assets at fair value through profit or loss - non-current	6(2)	40,949	2	34,637	2	29,931	2
1517	Financial assets at fair value through other comprehensive income - non-current	6(6)	141,630	6	68,756	3	2,381	-
1550	Equity-accounted investments	6(7)	682,640	31	664,211	32	658,629	33
1600	Property, plant and equipment	6(8), 7 and 8	346,698	16	349,380	17	313,601	16
1755	Right-of-use assets	6(9)	39,464	2	34,331	2	36,264	2
1780	Intangible assets		2,980	-	3,517	-	5,072	-
1840	Deferred income tax assets		19,103	1	20,244	1	29,289	1
1900	Other non-current assets	8	2,174	-	2,167	-	3,573	-
15XX	**Total non-current assets**		1,275,638	58	1,177,243	57	1,078,740	54
1XXX	**Total assets**		$ 2,211,472	100	$ 2,048,208	100	$ 2,015,588	100

(Continued next page)

ONYX Healthcare Inc. and Subsidiaries
Consolidated balance sheet
As of March 31, 2024, December 31, 2023, and March 31, 2023

Unit: NT$ thousand

	Liabilities and equity	Note	March 31, 2024 Amount	%	December 31, 2023 Amount	%	March 31, 2023 Amount	%
	Current liabilities							
2100	Short-term loans	6(11)	$ 27,000	1	$ 27,000	1	$ -	-
2130	Contractual liabilities - current	6(20)	84,656	4	61,847	3	55,617	3
2170	Accounts payable		128,058	6	67,160	3	85,136	4
2180	Accounts payable - related parties	7	13,751	1	1,395	-	19,151	1
2200	Other payables	6(12) and 7	76,882	4	79,704	4	69,105	3
2230	Current income tax liabilities		48,880	2	43,380	2	53,777	3
2250	Liability reserves - current	6(15)	7,182	-	7,585	1	7,679	-
2280	Lease liabilities - current		4,010	-	2,842	-	5,075	-
2320	Long-term liabilities due within 1 year or 1 business cycle	6(13)	10,455	1	10,476	1	10,331	1
2399	Other current liabilities - others		3,084	-	3,762	-	1,573	-
21XX	**Total current liabilities**		403,958	19	305,151	15	307,444	15
	Non-current liabilities							
2527	Contractual liabilities - non-current	6(20)	55,150	2	53,301	3	69,187	4
2540	Long-term loans	6(13)	131,916	6	134,499	7	142,370	7
2550	Liability reserves - non-current	6(15)	2,101	-	2,364	-	2,389	-
2570	Deferred income tax liabilities		1,514	-	423	-	1,378	-
2580	Lease liabilities - non-current		36,391	2	31,924	1	31,824	2
25XX	**Total non-current liabilities**		227,072	10	222,511	11	247,148	13
2XXX	**Total liabilities**		631,030	29	527,662	26	554,592	28
	Equity							
	Equity attributable to parent company shareholders							
	Share capital	6(17)						
3110	Common share capital		335,163	15	335,163	16	332,612	16
	Capital reserves	6(16) (18)						
3200	Capital reserves		709,188	32	708,803	35	680,370	34
	Retained earnings	6(19)						
3310	Legal reserves		151,706	7	151,706	7	131,410	7
3320	Special reserves		33,926	2	33,926	2	49,896	2
3350	Unappropriated earnings		362,971	16	312,163	15	283,672	14
	Other equity items							
3400	Other equity items		(20,706)	(1)	(30,169)	(1)	(25,964)	(1)
31XX	**Total equity attributable to parent company shareholders**		1,572,248	71	1,511,592	74	1,451,996	72
36XX	**Non-controlling equity**	4(3)	8,194	-	8,954	-	9,000	-
3XXX	**Total equity**		1,580,442	71	1,520,546	74	1,460,996	72
	Major post-balance sheet date events	11						
3X2X	**Total liabilities and equity**		$ 2,211,472	100	$ 2,048,208	100	$ 2,015,588	100

The attached Notes to consolidated financial statements are part of this consolidated financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun   Manager: Chuang, Fu-Chun   Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries
Consolidated statement of comprehensive income
January 1 to March 31, 2024 and 2023

Unit: NT$ thousand
(except earnings per share, which are presented in NTD)

	Item	Note	January 1 to March 31, 2024 Amount	%	January 1 to March 31, 2023 Amount	%
4000	Operating revenues	6(20) and 7	$ 275,340	100	$ 327,942	100
5000	Operating costs	6(5)(23)(24) and 7	(161,298)	(59)	(216,461)	(66)
5900	Gross profit		114,042	41	111,481	34
	Operating expenses	6(23)(24) and 7				
6100	Selling expenses		(47,295)	(17)	(40,898)	(13)
6200	Administrative expenses		(18,827)	(7)	(19,885)	(6)
6300	R&D expenses		(25,710)	(9)	(20,217)	(6)
6450	Expected credit impairment loss/reversal gain	12(2)	548	-	767	-
6000	Total operating expenses		(91,284)	(33)	(80,233)	(25)
6900	Operating profit		22,758	8	31,248	9
	Non-operating income and expenses					
7100	Interest income		358	-	440	-
7010	Other income	6(21) and 7	685	-	9,035	3
7020	Other gains and losses	6(22)	18,081	7	6,511	2
7050	Financial costs		(785)	-	(697)	-
7060	Share of profits/losses on equity-accounted associated companies and joint ventures		15,902	6	13,637	4
7000	Total non-operating income and expenses		34,241	13	28,926	9
7900	**Pre-tax profit**		56,999	21	60,174	18
7950	Income tax expense	6(25)	(6,951)	(3)	(4,082)	(1)
8200	**Current net income**		$ 50,048	18	$ 56,092	17
	Other comprehensive income (net)					
	Items not reclassified into profit or loss					
8316	Unrealized gain/loss on valuation of equity instruments at fair value through other comprehensive income	6(6)	$ 3,028	1	$ -	-
8320	Share of other comprehensive income from equity-accounted associated companies and joint ventures - not reclassified into profit or loss		1,513	1	3,665	1
8310	Items not reclassified into profit or loss - total		4,541	2	3,665	1
	Items likely to be reclassified into profit or loss					
8361	Financial statement translation differences arising from foreign operations		4,886	2	(477)	-
8370	Share of other comprehensive income from equity-accounted associated companies and joint ventures - likely to be reclassified into profit or loss		1,013	-	(166)	-
8399	Income tax on items that are likely to be reclassified into profit or loss	6(25)	(977)	-	95	-
8360	Items likely to be reclassified into profit or loss - total		4,922	2	(548)	-
8300	**Other comprehensive income (net)**		$ 9,463	4	$ 3,117	1
8500	**Total comprehensive income for the current period**		$ 59,511	22	$ 59,209	18
	Net income (loss) attributable to:					
8610	Parent company shareholders		$ 50,808	18	$ 56,138	17
8620	Non-controlling equity		(760)	-	(46)	-
	Total		$ 50,048	18	$ 56,092	17
	Comprehensive income attributable to:					
8710	Parent company shareholders		$ 60,271	22	$ 59,255	18
8720	Non-controlling equity		(760)	-	(46)	-
	Total		$ 59,511	22	$ 59,209	18
	EPS	6(26)				
9750	Basic earnings per share		$	1.52	$	1.69
9850	Diluted earnings per share		$	1.50	$	1.68

The attached Notes to consolidated financial statements are part of this consolidated financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun　　Manager: Chuang, Fu-Chun　　Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries
Consolidated statement of changes in equity
January 1 to March 31, 2024 and 2023

Unit: NT$ thousand

		Equity attributable to parent company shareholders									
				Retained earnings			Other equity items				
	Note	Common share capital	Capital reserves	Legal reserves	Special reserves	Unappropriated earnings	Financial statement translation differences arising from foreign operations	Unrealized gains/losses on financial assets at fair value through other comprehensive income	Total	Non-controlling equity	Total
January 1 to March 31, 2023											
Balance as at January 1, 2023		$ 332,612	$ 679,472	$ 131,410	$ 49,896	$ 232,379	($ 2,849)	($ 31,077)	$ 1,391,843	$ 9,046	$ 1,400,889
Current net income (loss)		-	-	-	-	56,138	-	-	56,138	(46)	56,092
Other current comprehensive income		-	-	-	-	-	(548)	3,665	3,117	-	3,117
Total comprehensive income for the current period		-	-	-	-	56,138	(548)	3,665	59,255	(46)	59,209
Share-based payment	6(16)(18)	-	898	-	-	-	-	-	898	-	898
Reclassification of equity instruments at fair value through other comprehensive income	6(6)	-	-	-	-	(4,845)	-	4,845	-	-	-
Balance as at March 31, 2023		$ 332,612	$ 680,370	$ 131,410	$ 49,896	$ 283,672	($ 3,397)	($ 22,567)	$ 1,451,996	$ 9,000	$ 1,460,996
January 1 to March 31, 2024											
Balance as at January 1, 2024		$ 335,163	$ 708,803	$ 151,706	$ 33,926	$ 312,163	($ 2,396)	($ 27,773)	$ 1,511,592	$ 8,954	$ 1,520,546
Current net income (loss)		-	-	-	-	50,808	-	-	50,808	(760)	50,048
Other current comprehensive income		-	-	-	-	-	4,922	4,541	9,463	-	9,463
Total comprehensive income for the current period		-	-	-	-	50,808	4,922	4,541	60,271	(760)	59,511
Share-based payment	6(16)(18)	-	385	-	-	-	-	-	385	-	385
Balance as at March 31, 2024		$ 335,163	$ 709,188	$ 151,706	$ 33,926	$ 362,971	$ 2,526	($ 23,232)	$ 1,572,248	$ 8,194	$ 1,580,442

The attached Notes to consolidated financial statements are part of this consolidated financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun   Manager: Chuang, Fu-Chun   Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries
Consolidated cash flow statement
January 1 to March 31, 2024 and 2023

Unit: NT$ thousand

	Note	January 1 to March 31, 2024	January 1 to March 31, 2023
Cash flow from operating activities			
Pre-tax profit for the current period		$ 56,999	$ 60,174
Adjustments			
Income, expenses, and losses			
Depreciation	6(8)(9)(23)	5,318	5,616
Amortization	6(23)	637	614
Expected credit impairment loss/reversal gain	12(2)	(548)	(767)
Gain on financial assets at fair value through profit or loss	6(2)(22)	(8,172)	(6,487)
Interest expenses		785	697
Interest income		(358)	(440)
Share-based payment - remuneration	6(16)	385	898
Share of profit from equity-accounted associated companies		(15,902)	(13,637)
Change in assets/liabilities related to operating activities			
Net change in assets related to operating activities			
Financial assets at fair value through profit or loss		53	-
Notes receivable		3	(3,439)
Accounts receivable		48,894	65,271
Accounts receivable - related parties		(988)	(1,648)
Other receivables		(11,581)	820
Inventory		(37,253)	(14,623)
Prepayments		(5,468)	(14,329)
Other current assets		(776)	(244)
Net change in liabilities related to operating activities			
Contractual liabilities		24,658	(7,788)
Accounts payable		60,898	1,788
Accounts payable - related parties		12,356	(3,858)
Other payables		(2,803)	(12,471)
Other payables - related parties		197	4,227
Liability reserves		(666)	374
Other current liabilities		(678)	(1,512)
Cash inflow from operating activities		125,990	59,236
Interests received		358	440
Interests paid		(784)	(695)
Income tax paid		(672)	(760)
Net cash inflow from operating activities		124,892	58,221

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ONYX Healthcare Inc. and Subsidiaries
Consolidated cash flow statement
January 1 to March 31, 2024 and 2023

Unit: NT$ thousand

	Note	January 1 to March 31, 2024	January 1 to March 31, 2023
Cash flow from investing activities			
Disposal of financial assets at fair value through profit or loss		$ 5,595	$ -
Acquisition of financial assets at amortized cost		(1,334)	-
Acquisition of financial assets at fair value through other comprehensive income		(69,846)	-
Acquisition of equity-accounted investments		-	(9,700)
Acquisition of property, plant, and equipment	6(27)	(1,284)	(18,236)
Acquisition of intangible assets		(100)	(93)
Increase in guarantee deposits paid (presented as other non-current assets)		(7)	(6)
Net cash outflow from investing activities		(66,976)	(28,035)
Cash flow from financing activities			
Repayment of long-term loan	6(28)	(2,604)	(2,585)
Repayment of lease principal	6(28)	(586)	(1,333)
Decrease in guarantee deposits received		-	(1,148)
Net cash outflow from financing activities		(3,190)	(5,066)
Exchange rate impact		4,597	(419)
Increase in cash and cash equivalents for the current period		59,323	24,701
Opening cash and cash equivalents balance	6(1)	366,767	328,886
Closing cash and cash equivalents balance	6(1)	$ 426,090	$ 353,587

The attached Notes to consolidated financial statements are part of this consolidated financial statement and should be read in conjunction.

Chairman: Chuang, Yung-Shun   Manager: Chuang, Fu-Chun   Head of Accounting: Yang, Hsiang-Chih

ONYX Healthcare Inc. and Subsidiaries
Notes to consolidated financial statements
For the First Quarter of 2024 and 2023

Unit: NT$ thousand
(unless specified otherwise)

I. Company history

ONYX Healthcare Inc. (the "Company") was incorporated on February 2, 2010 in the Republic of China. The Company and its subsidiaries (collectively referred to as "Group" below) are mainly involved in the design, manufacturing, and trading of medical computers and peripherals. AAEON Technology Inc. holds 48.51% equity ownership in the Company, whereas ASUSTeK Computer Inc. is the Group's ultimate parent.

II. Financial statement approval date and procedures

This consolidated financial report was passed during the board of directors meeting dated May 8, 2024.

III. Application of new standards, amendments and interpretations

(I) Impacts of adopting new and amended International Financial Reporting Standards (IFRS) approved by the Financial Supervisory Commission (FSC)

The following is a list of new/amended/modified IFRSs and interpretations approved by FSC that are applicable for 2024:

New/amended/modified standards and interpretations	Effective date of IASB announcement
Amendments to IFRS 16 regarding "Lease liability in a sale and leaseback"	January 1, 2024
Amendments to IAS 1 regarding "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 regarding "Non-current Liabilities with Covenants "	January 1, 2024
Amendments to IAS 7 and IFRS 7 regarding "Supplier Finance Arrangements"	January 1, 2024

After a thorough assessment, the Group expects no material financial or performance impact from the above standards and interpretations.

(II) Impacts of adopting new and amended IFRSs not yet approved by FSC

None.

(III) Impacts of IFRS changes announced by International Accounting Standards Board (IASB) but not yet approved by FSC

The following is a list of new/amended/modified IFRSs announced by IASB but not approved by FSC:

New/amended/modified standards and interpretations	Effective date of IASB announcement
Amendments to IFRS 10 and IAS 28 regarding "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	Pending final decision from IASB
IFRS 17 - Insurance Contracts	January 1, 2023
Amendments to IFRS 17 - "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 - "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 - "Presentation and Disclosure in Financial Statements"	January 1, 2027
Amendments to IAS No. 21 "Lack of Exchangeability"	January 1, 2025

After a thorough assessment, the Group expects no material financial or performance impact from the above standards and interpretations, except for the matters discussed below.

IFRS 18 - "Presentation and Disclosure in Financial Statements"

IFRS 18 - "Presentation and Disclosure in Financial Statements" replaces IAS 1 and introduces an update to the structure of the statement of comprehensive income along with new disclosures for management-defined performance measures. This standard emphasizes the aggregation and disaggregation of disclosures in key financial statements and footnotes.

IV. Summary of significant accounting policies

Except for the statement of compliance, basis of preparation, basis of consolidation, and new explanations provided below, all other significant accounting policies are unchanged from Note 4 of the 2023 consolidated financial statements. Unless otherwise stated, the following policies were applied consistently in all reporting periods.

(I) Statement of compliance

1. The consolidated financial statements have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and the version of IAS 34 - "Interim Financial Reporting" approved, announced, and effected by FSC.
2. These consolidated financial statements should be read in conjunction with the 2023 consolidated financial statements.

(II)Basis of preparation

1. This consolidated financial report is prepared based on historical cost, except for items including financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.
2. Preparation of a financial report that complies with the version of International Financial Reporting Standards, International Accounting Standards and interpretations approved, announced, and effected by the FSC (collectively referred to as "IFRSs" below) involves some use of critical accounting estimates, and the management is required to exercise some judgment when applying the Group's accounting policies. Please refer to Note 5 for highly complex and significant assumptions and estimates made in relation to the consolidated financial report.

(III)Basis of consolidation

1. Basis of preparation for consolidated financial report

   Basis of preparation for this consolidated financial report is identical to the 2023 consolidated financial report.

2. Subsidiaries included in the consolidated financial report:

			Shareholding percentage			
Name of investor	Name of subsidiary	Business activities	March 31, 2024	December 31, 2023	March 31, 2023	Description
The Company	ONYX HEALTHCARE USA, Inc.(OHU)	Sale of medical computers and peripherals	100	100	100	
The Company	ONYX HEALTHCARE EUROPE B.V.(ONI)	Marketing support, maintenance, and sales of medical computers and peripherals	100	100	100	Note 1
The Company	Onyx Healthcare (Shanghai) Inc. (OCI)	Sale of medical computers and peripherals	100	100	100	Note 1
The Company	iHELPER Inc. (iHELPER)	Research, development, and sale of medical robots	46	46	46	Note 1 and Note 2

Note 1: These entities do not meet the definition of material subsidiary, and therefore, financial statements dated March 31, 2024 and 2023 were not reviewed by CPAs.

Note 2: The Company holds less than 50% aggregate ownership in the entity but has included the entity in the preparation of the consolidated financial report as the Company has control over the entity's financial, operational, and personnel decisions.

3. Subsidiaries not included in the consolidated financial report: None.
4. Methods for aligning subsidiaries' accounting periods: None.
5. Significant limitations: None.
6. Subsidiaries with non-controlling owners that are significant to the Group: The Group had non-controlling equity outstanding at $8,194, $8,954, and $9,000 on March 31, 2024, December 31, 2023, and March 31, 2023, respectively. None of the non-controlling shareholders were significant to the Group.

V. Major sources of uncertainty for significant accounting judgments, estimates and assumptions

There were no significant changes in the current period; please refer to Note 5 of the 2023 consolidated financial report.

VI. Notes to major accounts

(I) Cash and cash equivalents

	March 31, 2024	December 31, 2023	March 31, 2023
Petty cash	$ 307	$ 426	$ 286
Check and current deposit	409,783	350,989	322,851
Time deposit	16,000	15,352	30,450
	$ 426,090	$ 366,767	$ 353,587

1. All financial institutions that the Group deals with are of strong credit background. The Group also diversifies credit risk by dealing with multiple financial institutions at the same time and therefore is unlikely to suffer from the default of a financial institution.
2. Cash and cash equivalents that have been placed as collateral for forward exchange contracts and short-term loans are presented as financial assets at amortized cost. Please see Notes 6(3) and 8 for details.

(II)Financial assets at fair value through profit or loss

	March 31, 2024	December 31, 2023	March 31, 2023
Current portion:			
Financial assets mandatory to be carried at fair value through profit or loss			
TWSE/TPEX listed shares	$ 3,957	$ 10,208	$ 10,208
Valuation adjustment	3,645	1,181	515
	$ 7,602	$ 11,389	$ 10,723
Non-current portion:			
Financial assets mandatory to be carried at fair value through profit or loss			
Not listed on TWSE/TPEX or the Emerging Stock Market board	$ 30,000	$ 30,000	$ 30,000
Valuation adjustment	10,949	4,637	(69)
	$ 40,949	$ 34,637	$ 29,931

1. Details of gains (losses) on financial assets at fair value through profit or loss:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Financial assets mandatory to be carried at fair value through profit or loss		
Equity instrument	$ 8,119	$ 6,487
Derivatives	53	-
	$ 8,172	$ 6,487

2. None of the Group's financial assets at fair value through profit or loss was placed as collateral.
3. For information relating to the credit risk of financial assets carried at fair value through profit or loss, please refer to Note 12(2).

(III)Financial assets carried at cost after amortization

	March 31, 2024	December 31, 2023
Current portion:		
Restricted time deposit	$ 32,960	$ 31,626

1. None as of March 31, 2023.
2. Without considering the collateral or other credit enhancements held, financial assets measured at amortized cost that best represent the Group held on March 31, 2024, December 31, 2023 and March 31, 2023, the highest credit risk exposure amount was $32,960, $31,626, and $0, respectively.
3. Please refer to Note 8 for the financial assets measured at amortized cost that are provided as collateral.
4. Please refer to Note 12(2) for the credit risk information of financial assets measured at amortized cost. The counterparties of the Group's investment in certificates of deposit are financial institutions with good credit quality, and the possibility of default is expected to be very low.

(IV)Notes and accounts receivable

	March 31, 2024	December 31, 2023	March 31, 2023
Notes receivable	$ -	$ 3	$ 3,439
Accounts receivable	$ 157,393	$ 206,286	$ 214,450
Less: loss provisions	(14,642)	(14,911)	(14,726)
	$ 142,751	$ 191,375	$ 199,724

1. Notes and accounts receivable (including related parties) aging analysis:

	March 31, 2024		December 31, 2023	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Current	$ 121,638	$ -	$ 141,612	$ 3
Overdue within 30 days	18,824	-	39,255	-
Overdue 31 - 60 days	624	-	12,344	-
Overdue 61 - 90 days	3,811	-	-	-
Overdue more than 121 days	14,232	-	13,823	-
	$ 159,129	$ -	$ 207,034	$ 3

	March 31, 2023	
	Accounts receivable	Notes receivable
Current	$ 136,689	$ 3,439
Overdue within 30 days	59,356	-
Overdue 31 - 60 days	5,562	-
Overdue 91 - 120 days	2,607	-
Overdue more than 121 days	12,931	-
	$ 217,145	$ 3,439

The above aging analysis has been prepared based on the number of days overdue.

2. Balances of notes and accounts receivable (including related parties) as at March 31, 2024, December 31, 2023, and March 31, 2023 had arisen entirely from contractual arrangements with customers. Balances of contractual proceeds receivable from customers (including related parties) and loss provisions as at January 1, 2023 were $280,767 and $15,442, respectively.

3. In the absence of collaterals and other credit enhancements, maximum credit risk exposure associated with the Group's notes receivable as at March 31, 2024, December 31, 2023, and March 31, 2023, amounted to $0, $3, and $3,439, respectively; maximum credit risk exposure associated with the Group's accounts receivable (including related parties) as at March 31, 2024, December 31, 2023, and March 31, 2023, amounted to $144,487, $192,123, and $202,419, respectively.

4. The Group held no collateral on accounts and notes receivable (including related parties).

5. For credit risk information on notes and accounts receivable (including related parties), please refer to Note 12(2).

(V)Inventory

	March 31, 2024		
	Cost	Allowance for obsolescence and devaluation loss	Book value
Raw materials	$ 135,088	($ 7,299)	$ 127,789
Work-in-progress	37,021	(144)	36,877
Semi-finished goods	72,631	(7,659)	64,972
Finished goods	83,231	(29,927)	53,304
	$ 327,971	($ 45,029)	$ 282,942

	December 31, 2023		
	Cost	Allowance for obsolescence and devaluation loss	Book value
Raw materials	$ 142,640	($ 8,442)	$ 134,198
Work-in-progress	13,180	(35)	13,145
Semi-finished goods	73,902	(7,399)	66,503
Finished goods	53,377	(21,534)	31,843
	$ 283,099	($ 37,410)	$ 245,689

	March 31, 2023		
	Cost	Allowance for obsolescence and devaluation loss	Book value
Raw materials	$ 161,806	($ 16,993)	$ 144,813
Work-in-progress	36,087	(1,511)	34,576
Semi-finished goods	73,290	(9,745)	63,545
Finished goods	97,542	(14,326)	83,216
	$ 368,725	($ 42,575)	$ 326,150

Cost of inventory recognized as expenses or losses in the current period:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Cost of inventory sold	$ 152,405	$ 221,350
Obsolescence and devaluation loss (reversal gain) (Note)	6,890	(7,320)
Service and warranty cost	1,999	2,368
Impairment loss	9	63
Gain on stock-take	(5)	-
	$ 161,298	$ 216,461

Note: Reversal gains for the period from January 1 to March 31, 2023 had arisen due to the Group having taken the initiative to dispose of slow-moving inventory.

(VI)Financial assets at fair value through other comprehensive income

	March 31, 2024	December 31, 2023	March 31, 2023
Non-current portion:			
Equity instrument			
TWSE/TPEX listed shares	$ 80,415	$ 71,769	$ -
Not listed on TWSE/TPEX or the Emerging Stock Market board	100,534	39,334	39,334
	180,949	111,103	39,334
Valuation adjustment	(39,319)	(42,347)	(36,953)
	$ 141,630	$ 68,756	$ 2,381

1. The Group chooses to classify the equity instrument investment, which is a strategic investment, as financial assets measured at fair value through other comprehensive gain or loss. The fair value of the investments on March 31, 2024, December 31, 2023 and March 31, 2023 was $141,630, $68,756, and $2,381, respectively.

2. Details of gains or losses on financial assets at fair value through other comprehensive income:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Equity instruments at fair value through other comprehensive income		
Fair value changes recognized through other comprehensive income	$ 3,028	$ -
Cumulative losses reclassified into retained earnings	$ -	($ 4,845)

3. None of the Group's financial assets at fair value through other comprehensive income was placed as collateral.

(VII)Equity-accounted investments

	March 31, 2024		December 31, 2023	
Name of associated company	Shareholding %	Amount presented	Shareholding %	Amount presented
Winmate (Note 1)	12.85%	$ 649,455	13.08%	$ 629,526
PROTECTLIFE INTERNATIONAL BIOMEDICAL INC. (Note 2)	11.27%	33,185	11.27%	34,685
		$ 682,640		$ 664,211

	March 31, 2023	
Name of associated company	Shareholding %	Amount presented
Winmate (Note 1)	13.43%	$ 624,560
PROTECTLIFE INTERNATIONAL BIOMEDICAL INC. (Note 2)	11.54%	34,069
		$ 658,629

Note 1: Although the Group held less than 20% of voting shares in Winmate, it did undertake directorship in Winmate and therefore accounted for the entity using the equity method for exercising significant influence.

Note 2: The Group previously held a 6.3% equity interest in ProtectLife, and after subscribing to cash issue on February 9, 2023, shareholding percentage increased to 11.54%. Although shareholding percentage is below 20%, the shares held by the Company and another related party - Fu Li Investment Co., Ltd. (in which the Company shares a common chairperson) aggregate to 20%, and considering that the Company's chairperson serves as a director of ProtectLife, the Company is deemed to exercise significant influence. For this reason, the investment has been accounted for using the equity method since February 9, 2023. In addition, the Group participated in its cash capital increase on July 21, 2023, and the shareholding was 11.27% after the capital increase.

1. Summary financial information of significant associated companies:

Balance sheet

	Winmate		
	March 31, 2024	December 31, 2023	March 31, 2023
Current assets	$ 2,868,499	$ 2,294,504	$ 2,319,218
Non-current assets	1,757,104	1,586,066	1,392,190
Current liabilities	(1,185,460)	(795,394)	(1,163,772)
Non-current liabilities	(497,123)	(19,152)	(15,882)
Total net assets	$ 2,943,020	$ 3,066,024	$ 2,531,754
As a percentage of net assets across associated companies	$ 378,052	$ 401,036	$ 340,002
Goodwill	271,221	228,358	284,558
Book value of associated company	$ 649,273	$ 629,394	$ 624,560

Statement of comprehensive income

	Winmate	
	January 1 to March 31, 2024	January 1 to March 31, 2023
Income	$ 700,190	$ 626,040
Current net income	$ 133,843	$ 111,895
Other comprehensive income (net, after-tax)	15,123	28,300
Total comprehensive income for the current period	$ 148,966	$ 140,195

2. The following is a summary of book values and business performance of the Group's non-material associated companies:

Book value of the Group's non-material associated companies as at March 31, 2024, December 31, 2023, and March 31, 2023 totaled $33,185, $34,685, and $34,069, respectively.

	January 1 to March 31, 2024	January 1 to March 31, 2023
Current net loss	($ 1,500)	($ 786)

3. Fair value of material associated companies that are openly quoted:

	March 31, 2024	December 31, 2023	March 31, 2023
Winmate	$ 1,485,380	$ 1,254,890	$ 1,055,132

4. ProtectLife, an equity-accounted investment held by the Group, was recognized using the investee's unaudited financial statements for the corresponding period.

(VIII) Property, plant and equipment

	2024							
	Land	Buildings	Machinery	Office equipment	Lease improvements	Other equipment	Construction in progress and equipment pending inspection	Total
January 1								
Cost	$ 267,183	$ 71,695	$ 16,774	$ 11,779	$ 22,060	$ 91,764	$ 343	$ 481,598
Accumulated depreciation	-	(5,688)	(16,085)	(10,054)	(21,171)	(79,220)	-	(132,218)
	$ 267,183	$ 66,007	$ 689	$ 1,725	$ 889	$ 12,544	$ 343	$ 349,380
January 1	$ 267,183	$ 66,007	$ 689	$ 1,725	$ 889	$ 12,544	$ 343	$ 349,380
Addition	-	-	-	635	-	523	343	1,501
Transfer	-	-	-	-	-	686	(686)	-
Depreciation	-	(1,253)	(302)	(200)	(170)	(2,307)	-	(4,232)
Net exchange difference	-	-	-	46	-	3	-	49
March 31	$ 267,183	$ 64,754	$ 387	$ 2,206	$ 719	$ 11,449	$ -	$ 346,698
March 31								
Cost	$ 267,183	$ 71,695	$ 16,774	$ 12,450	$ 20,919	$ 92,552	$ -	$ 481,573
Accumulated depreciation	-	(6,941)	(16,387)	(10,244)	(20,200)	(81,103)	-	(134,875)
	$ 267,183	$ 64,754	$ 387	$ 2,206	$ 719	$ 11,449	$ -	$ 346,698

	2023							
	Land	Buildings	Machinery	Office equipment	Lease improvements	Other equipment	Construction in progress and equipment pending inspection	Total
January 1								
Cost	$ 229,660	$ 48,798	$ 17,200	$ 11,463	$ 20,697	$ 84,201	$ 1,727	$ 413,746
Accumulated depreciation	-	(2,440)	(15,392)	(9,262)	(19,473)	(71,024)	-	(117,591)
	$ 229,660	$ 46,358	$ 1,808	$ 2,201	$ 1,224	$ 13,177	$ 1,727	$ 296,155
January 1	$ 229,660	$ 46,358	$ 1,808	$ 2,201	$ 1,224	$ 13,177	$ 1,727	296,155
Addition	-	-	-	76	823	232	20,182	21,313
Transfer	-	-	-	-	-	348	(348)	-
Depreciation	-	(407)	(341)	(217)	(1,076)	(1,821)	-	(3,862)
Net exchange difference	-	-	-	(9)	-	4	-	(5)
March 31	$ 229,660	$ 45,951	$ 1,467	$ 2,051	$ 971	$ 11,940	$ 21,561	$ 313,601
March 31								
Cost	$ 229,660	$ 48,798	$ 16,582	$ 11,511	$ 21,520	$ 84,798	$ 21,561	$ 434,430
Accumulated depreciation	-	(2,847)	(15,115)	(9,460)	(20,549)	(72,858)	-	(120,829)
	$ 229,660	$ 45,951	$ 1,467	$ 2,051	$ 971	$ 11,940	$ 21,561	$ 313,601

Major components of property, plant, and equipment held by the Group, and useful lives:

Item	Major component	Useful life
Buildings	Building, parking lot, renovation etc.	5-30 years
Machinery	Oscilloscope, suspensory burn-in equipment, and automated streamline workstation	3 years
Office equipment	Server and host	3 years
Lease improvements	Plant expansion and revovation works	2 years
Other equipment	Front and back cover mold, repair mold, and sizing mold	2-5 years

1. All property, plant, and equipment mentioned above are self-occupied.
2. No borrowing cost was capitalized into the Group's property, plant, and equipment.
3. See Note 8 for details of Property, plant and equipment pledged as collateral by the Group.

(IX)Leases - as a lessee

1. The Group leases buildings, transport equipment, and office equipment; the duration of the lease agreements usually ranges from 1 to 20 years. Lease contracts were individually negotiated and drafted with different terms and conditions with no additional restriction, except that the leased assets can not be placed as collateral.
2. Lease tenors for buildings and transport equipment do not exceed 12 months, whereas leases for office equipment are treated as low-value leases.
3. Book value of right-of-use assets and recognized amounts of depreciation expense are presented below:

	March 31, 2024	December 31, 2023	March 31, 2023
	Book value	Book value	Book value
Buildings	$ 36,384	$ 30,975	$ 32,470
Transport equipment	1,944	2,112	2,229
Office equipment	1,136	1,244	1,565
	$ 39,464	$ 34,331	$ 36,264

	January 1 to March 31, 2024	January 1 to March 31, 2023
	Depreciation	Depreciation
Buildings	$ 759	$ 1,483
Transport equipment	220	164
Office equipment	107	107
	$ 1,086	$ 1,754

4. Amounts of right-of-use assets added during the periods January 1 to March 31, 2024 and 2023, were $6,140 and $1,553, respectively.

5. Income and expenses relating to lease agreements are presented below:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Current income/expense accounts affected		
Interest expense on lease liabilities	$ 84	$ 38
Expenses on short-term lease agreements	2,438	3,860
Lease expense of low-value leases	8	60
Income from sub-leasing of right-of-use assets	-	301

6. Amounts of cash outflow incurred on leases totaled $3,116 and $5,291 for the periods January 1 to March 31, 2024 and 2023, respectively.

(X)Leases - as a lessor

1. The Group leases out its land and buildings. The current lease tenure is from September 2021 to August 2024. However, part of the lease was prematurely terminated on December 31, 2022. Lease contracts were individually negotiated and drafted with different terms and conditions. To ensure that lease assets are used for the purpose described, lessees are generally prohibited from sub-leasing, lending, or transferring all or part of the leased asset, or in any other way allowing others to make use of the leased asset. Lessees are also prohibited from transferring leases to others.
2. The Group recognized $0 and $301 of rental income from operating lease agreements for the periods January 1 to March 31, 2024 and 2023; this amount included no variable lease payment.
3. See Note 7 for details on the lease of assets to related parties.

(XI)Short-term loans

Nature of loan	March 31, 2024	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	$ 27,000	0.50%	Time deposit

Nature of loan	December 31, 2023	Interest rate range	Collateral
Bank borrowings			
Secured borrowings	$ 27,000	0.50%	Time deposit

1. None as of March 31, 2023.
2. $38 and $0 of interest expense were recognized in profit or loss for the periods January 1 to March 31, 2024 and 2023, respectively.

(XII)Other payables

	March 31, 2024	December 31, 2023	March 31, 2023
Employee and director remuneration payable	$ 29,743	$ 26,580	$ 27,274
Salary and bonus payable	24,815	36,402	24,473
Equipment purchase payable	1,184	967	3,077
Other payables	21,140	15,755	14,281
	$ 76,882	$ 79,704	$ 69,105

(XIII)Long-term loans

Nature of loan	Loan tenor and repayment method	Interest rate range	Collateral	March 31, 2024
Long-term bank borrowings				
Secured borrowings	From May 28, 2021 to May 28, 2036; principal and interest repayable on a monthly basis	1.975%	Land and buildings	$ 142,371
Less: current portion of long-term loan				(10,455)
				$ 131,916

Nature of loan	Loan tenor and repayment method	Interest rate range	Collateral	December 31, 2023
Long-term bank				

borrowings				
Secured borrowings	From May 28, 2021 to May 28, 2036; principal and interest repayable on a monthly basis	1.85%	Land and buildings	$ 144,975
Less: current portion of long-term loan				(10,476)
				$ 134,499

Nature of loan	Loan tenor and repayment method	Interest rate range	Collateral	March 31, 2023
Long-term bank borrowings				
Secured borrowings	From May 28, 2021 to May 28, 2036; principal and interest repayable on a monthly basis	1.85%	Land and buildings	$ 152,701
Less: current portion of long-term loan				(10,331)
				$ 142,370

(XIV)Pension

1. The Company and domestic subsidiaries have implemented defined contribution policies in accordance with the "Labor Pension Act" that apply to all employees of local nationality. For employees who are subject to the pension scheme introduced under the "Labor Pension Act," the Company and domestic subsidiaries contribute an amount equal to 6% of employees' monthly salary to their individual accounts held with the Bureau of Labor Insurance on a monthly basis. Upon retirement, employees are paid the balance of their pension account plus cumulative gains either in monthly installments or in one lump sum.
2. OHU currently implements a company-funded personal pension program. Every employee who voluntarily participates in the program may have pension contributions shared between OHU and the employee. OHU makes contributions at 3% of gross salary, up to the amount in employee's self contribution.
3. OCI is required under the retirement insurance system of The People's Republic of China to pay monthly retirement premiums at a certain percentage of gross salary for local employees. Employees' pension funds are collectively managed by the local government. OCI has no further obligations other than making monthly contributions.
4. ONI makes pension contributions according to local regulations.
5. Total pension costs recognized under the above policies amounted to $1,701 and $1,673 for the periods January 1 to March 31, 2024 and 2023.

(XV)Liability reserves

	2024 Warranty	2023 Warranty
January 1	$ 9,949	$ 9,694
Increase of liability reserves in the current period	1,780	2,629
Liability reserves used and reversed in the current period	(2,446)	(2,255)
March 31	$ 9,283	$ 10,068

Analysis of liability reserves:

	March 31, 2024	December 31, 2023	March 31, 2023
Current	$ 7,182	$ 7,585	$ 7,679
Non-current	$ 2,101	$ 2,364	$ 2,389

Warranty reserves are related to the sale of medical computers; the amount in which is estimated based on historical warranty information of the product concerned.

(XVI)Share-based payment

1. The Group had the following share-based payment arrangements for the periods January 1 to March 31, 2024 and 2023:

Type of agreement	Grant date	Quantity granted (thousand shares)	Contract duration	Vesting condition
Employee warrant program	August 6, 2020	1,000	5 years	2-4 years of service

The above share-based payment arrangement is settled with equity.

2. Details of the above share-based payment arrangements:

	2024		2023	
	Quantity of warrants (thousand shares)	Weighted average exercise price (NTD)	Quantity of warrants (thousand shares)	Weighted average exercise price (NTD)
Opening balance (January 1) of outstanding warrants	625	$ 110.50	872	$ 114.70
Adjustment of warrants	-	-	40	-
Warrants voided in the current period	(3)	-	-	-
Closing balance (March 31) of outstanding warrants	622	110.50	912	114.70
Closing balance (March 31) of exercisable warrants	405		456	

3. Maturity date and exercise price of warrants outstanding as at the balance sheet date:

			March 31, 2024	
Type of agreement	Issuance date	Maturity date	Shares (thousand shares)	Exercise price (NTD)
Employee warrant program	August 6, 2020	August 6, 2025	622	$ 110.50

			December 31, 2023	
Type of agreement	Issuance date	Maturity date	Shares (thousand shares)	Exercise price (NTD)
Employee warrant program	August 6, 2020	August 6, 2025	625	$ 110.50

			March 31, 2023	
Type of agreement	Issuance date	Maturity date	Shares (thousand shares)	Exercise price (NTD)
Employee warrant program	August 6, 2020	August 6, 2025	912	$ 114.70

4. The Group uses the Black-Scholes options pricing model to estimate the fair value of warrants allocated for share-based payment and the fair value of cash issues retained for subscription by employees. Information on relevant parameters are presented below:

Type of agreement	Grant date	Share price	Exercise price (NTD)	Expected volatility	Expected duration	Risk-free rate	Fair value per unit (NTD)
Employee warrant program	August 6, 2020	$ 139.50	$ 139.50	32.26%	3.88 years	0.29%	$ 35.39

5. Expenses incurred on share-based payments are as follows:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Employee warrants	$ 385	$ 898

(XVII)Share capital

1. The Company had $500,000 of authorized capital (including 6,000 thousand shares reserved for issuance of employee warrant) as per Articles of Incorporation and $335,163 of paid-up capital issued in 33,516 thousand shares at a face value of NT$10 per share as at March 31, 2024. Proceeds from issued shares have been fully collected.

   Reconciliation between the opening and closing number of outstanding common shares (in thousand shares) between January 1 and March 31, 2024 and 2023, is explained below:

	2024	2023
January 1 (i.e. March 31)	33,516	33,261

2. The board of directors passed a resolution on August 7, 2019 to issue employee warrants and later resolved on December 23, 2019 to amend the issuance policy. A total of 1,000 units of the warrant were issued, and each warrant is vested with the right to subscribe 1 thousand shares. 1,000 thousand new common shares will have to be issued when the warrants are exercised. The subscription price per share will be determined according to policy. The warrants mentioned above were issued on August 6, 2020; please see Note 6(16) for details.

(XVIII)Capital reserves

Pursuant to The Company Act, the amount in premiums received on shares issued above the face value plus any capital reserves arising from gifts received may be used to reimburse previous losses. If the Company has not accumulated losses, this amount may be distributed to shareholders in cash or new shares based on shareholders' exiting ownership percentage. Furthermore, according to the Securities and Exchange Act, the amount in capital reserves capitalized into share capital is capped at 10% of paid-up capital per year. The Company may not utilize capital reserves to offset losses when there is still a positive balance in the earning reserves.

	2024			
	Share premium	Employee warrants	Others	Total
January 1	$ 689,124	$ 19,451	$ 228	$ 708,803
Employee warrants	-	385	-	385
March 31	$ 689,124	$ 19,836	$ 228	$ 709,188

	2023			
	Share premium	Employee warrants	Others	Total
January 1	$ 654,359	$ 24,885	$ 228	$ 679,472
Employee warrants	-	898	-	898
March 31	$ 654,359	$ 25,783	$ 228	$ 680,370

(XIX)Retained earnings

1. According to the Articles of Incorporation, annual net income concluded by the Company is the first subject to reimbursement of previous losses (including adjustment to unappropriated earnings) followed by a 10% provision for legal reserve. However, no further provision is needed when the legal reserve has accumulated to an amount equal to the Company's paid-up capital. Any surpluses remaining shall be subject to provision or reversal of special reserve as laws or the authority may require. The residual balance can then be added to unappropriated earnings (including adjustment to unappropriated earnings) carried from previous years and distributed as dividends to shareholders, subject to the board of directors' proposal and shareholder meeting resolution. The amount in dividends paid to shareholders must not be less than 5% of total distributable earnings.

   Cash dividends must not be less than 10% of the sum of cash and stock dividends for the current year. However, cash dividends amounting to less than NT$0.1 per share are to be paid in stock dividends instead.

The Company adopts a residual dividend policy that takes into consideration current and future investment prospects, capital requirements, local and foreign competition, capital budget, shareholders' interest, balanced dividend, long-term financial plans and related factors.

2. The legal reserve may not be used for purposes other than reimbursing previous losses or distributing proportionally back to existing shareholders in the form of cash or new shares. Only the amount in reserve that exceeds paid-up capital by 25% may be distributed in cash or new shares.
3. When distributing earnings, the Company is bound by laws to make provision for special reserves equal to the debit balance of other equity items as at the current balance sheet date before proceeding. If the debit balance of other equity items is reversed on a later date, the amount reversed can be added to available earnings for distribution.
4. The board of directors passed its 2023 earnings appropriation proposal on February 27, 2024, whereas the 2022 earnings appropriation proposal was resolved by shareholders on May 26, 2023. Details are as follows:

	2023		2022	
	Amount	Dividends per share (NTD)	Amount	Dividends per share (NTD)
Provision for legal reserves	$ 25,042		$ 20,296	
Reversal for special reserve	(3,757)		(15,970)	
Cash dividends	167,582	$ 5.0	166,307	$ 5.0
Stock dividends	50,274	1.5	-	-

Appropriation of 2022 earnings, as explained above, was indifferent from the proposals raised by the board of directors. The 2023 earnings appropriation proposal had yet to be resolved by shareholders as of May 8, 2024. Therefore, the consolidated financial statements do not reflect the amount of dividends payable.

(XX)Operating revenues

	January 1 to March 31, 2024	January 1 to March 31, 2023
Revenue from contracts with customers	$ 275,340	$ 327,942

1. Breakdown of revenue from contracts with customers

The Group recognizes income when merchandise is transferred or when service is rendered, which may take place progressively over time or occur at a specific time. Income can be distinguished by main product lines and geographic areas as follows:

January 1 to March 31, 2024	Medical computers Taiwan	Medical computers USA	Medical computers Others	Services and warranty Taiwan	Services and warranty USA	Services and warranty Others	Total
Revenue from contracts with external customers	$168,163	$ 83,663	$ 17,317	$ 4,405	$ 1,792	$ -	$ 275,340
Timing of revenue recognition							
Revenues recognized at a specific time	$168,163	$ 83,663	$ 17,317	$ -	$ -	$ -	$ 269,143
Revenues recognized progressively over time	-	-	-	4,405	1,792	-	6,197
	$168,163	$ 83,663	$ 17,317	$ 4,405	$ 1,792	$ -	$ 275,340

January 1 to March 31, 2023	Medical computers Taiwan	Medical computers USA	Medical computers Others	Services and warranty Taiwan	Services and warranty USA	Services and warranty Others	Total
Revenue from contracts with external customers	$224,858	$ 83,395	$ 14,442	$ 3,913	$ 1,329	$ 5	$ 327,942
Timing of revenue recognition							
Revenues recognized at a specific time	$224,858	$ 83,395	$ 14,442	$ -	$ -	$ -	$ 322,695
Revenues recognized progressively over time	-	-	-	3,913	1,329	5	5,247
	$224,858	$ 83,395	$ 14,442	$ 3,913	$ 1,329	$ 5	$ 327,942

2. Contractual liabilities

(1) Contractual liabilities associated with revenue from contracts with customers are as follows:

	March 31, 2024	December 31, 2023	March 31, 2023	January 1, 2023
Contractual liabilities - current:				
Service and sales contract	$ 78,240	$ 55,234	$ 47,187	$ 55,834
Warranty contract	6,416	6,613	8,430	8,899
	84,656	61,847	55,617	64,733
Contractual liabilities - non-current:				
Service and sales contract	47,434	44,848	58,077	54,939
Warranty contract	7,716	8,453	11,110	12,921
	55,150	53,301	69,187	67,860
	$ 139,806	$ 115,148	$ 124,804	$ 132,593

(2) Amount in opening contractual liabilities recognized as current income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Amount in opening contractual liabilities recognized as current income		
Service and sales contract	$ 11,699	$ 16,717
Warranty contract	1,900	2,367
	$ 13,599	$ 19,084

(3) Long-term contracts not yet fulfilled

The Group had long-term contracts with customers that were unfulfilled (or not fully fulfilled) as at March 31, 2024, December 31, 2023, and March 31, 2023, which had allocated prices of $139,806, $115,148, and $124,804, respectively. The management expects to recognize $84,656, $61,847, and $55,617 of revenues from allocated prices of unfulfilled performance obligations as of March 31, 2024, December 31, 2023, and March 31, 2023, in the following year, whereas the remaining contract prices are expected to be recognized as income over 2 to 6 years. The above amounts do not include constraining estimates of variable consideration.

(XXI)Other income

	January 1 to March 31, 2024	January 1 to March 31, 2023
Rental income	$ -	$ 301
Other income	685	8,734
	$ 685	$ 9,035

(XXII)Other gains and losses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Net gain (loss) on currency exchange	$ 10,189	($ 2,916)
Gain on financial assets at fair value through profit or loss	8,172	6,487
Government grant income	54	4,669
Other losses	(334)	(1,729)
	$ 18,081	$ 6,511

(XXIII) Additional information on the nature of costs and expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Employee benefit expenses	$ 63,613	$ 67,534
Depreciation on property, plant, and equipment	4,232	3,862
Depreciation on right-of-use assets	1,086	1,754
Amortization	637	614
	$ 69,568	$ 73,764

(XXIV) Employee benefit expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Salary expenses	$ 57,007	$ 61,175
Labor/health insurance premium	4,073	3,393
Pension expense	1,701	1,673
Other personnel expenses	832	1,293
	$ 63,613	$ 67,534

1. According to the Articles of Incorporation, any profits remaining after reimbursing cumulative losses in a given year shall be subject to employee remuneration of no less than 5% and director remuneration of no higher than 3%.
2. The Company had estimated employee remuneration at $2,563 and $6,274, and director remuneration at $600 and $600, for the periods January 1 to March 31, 2024 and 2023, respectively. All above amounts were presented as salary expenses for the respective years.

   Amounts for the period January 1 to March 31, 2024, were estimated based on the current year's profits to date and the percentages outlined in the Articles of Incorporation.

   The board of directors had resolved to pay 2023 employee remuneration and director remuneration at $22,500 and $2,400, respectively; both figures were consistent with the amounts previously recognized in the 2023 financial report and were paid in cash. Payment of the above amounts had yet to be completed as at May 8, 2024.

   Details of employees' and directors' remuneration passed by the Company's board of directors can be found on the Market Observation Post System.

(XXV)Income tax

1. Income tax expenses

(1) Composition of income tax expense:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Current income tax:		
Income tax on current profit	$ 5,697	$ 6,882
Deferred income tax:		
Occurrence and reversal of temporary difference	1,254	(2,800)
Income tax expense	$ 6,951	$ 4,082

(2) Income tax on other comprehensive income:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Translation differences from foreign operations	$ 977	($ 95)

2. OCI, one of the consolidated entities, is incorporated in the People's Republic of China as a production-oriented foreign enterprise and is governed by the Enterprise Income Tax Law of the People's Republic of China.

3. Profit-seeking enterprise business income tax returns of the Company and iHELPER have been certified by the tax authority up to 2022.

(XXVI)EPS

	January 1 to March 31, 2024		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Current net income attributable to common shareholders of parent company	$ 50,808	33,516	$ 1.52
Diluted earnings per share			
Current net income attributable to common shareholders of parent company	$ 50,808	33,516	
Dilutive effect of potential common shares			
Employee warrants	-	202	
Employee remuneration	-	107	
Current net income attributable to common shareholders of parent company plus the effect of potential common shares	$ 50,808	33,825	$ 1.50

	January 1 to March 31, 2023		
	Amount after tax	Weighted average outstanding shares (thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Current net income attributable to common shareholders of parent company	$ 56,138	33,261	$ 1.69
Diluted earnings per share			
Current net income attributable to common shareholders of parent company	$ 56,138	33,261	
Dilutive effect of potential common shares			
Employee remuneration	-	158	
Current net income attributable to common shareholders of parent company plus the effect of potential common shares	$ 56,138	33,419	$ 1.68

Employee warrants issued by the Company had an anti-dilutive effect between January 1 and March 31, 2023, and were therefore excluded from the calculation of diluted earnings per share.

(XXVII)Supplementary cash flow information

Investing activities involving partial cash outlay:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Purchase of property, plant, and equipment	$ 1,501	$ 21,313
Plus: equipment proceeds payable at the beginning of the period	967	-
Less: Equipment proceeds payable at the end of the period	(1,184)	(3,077)
Cash paid during the current period	$ 1,284	$ 18,236

(XXVIII)Change of liabilities relating to financing activities

2024

	Short-term loans	Long-term loans	Lease liabilities	Total
January 1	$ 27,000	$ 144,975	$ 34,766	$ 206,741
Repayment of long-term loan	-	(2,604)	-	(2,604)
Repayment of lease principal	-	-	(586)	(586)
Effects of exchange rate change	-	-	81	81
Other changes without cash effect	-	-	6,140	6,140
March 31	$ 27,000	$ 142,371	$ 40,401	$ 209,772

2023

	Short-term loans	Long-term loans	Lease liabilities	Total
January 1	$ -	$ 155,286	$ 36,633	$ 191,919
Repayment of long-term loan	-	(2,585)	-	(2,585)
Repayment of lease principal	-	-	(1,333)	(1,333)
Effects of exchange rate change	-	-	46	46
Other changes without cash effect	-	-	1,553	1,553
March 31	$ -	$ 152,701	$ 36,899	$ 189,600

VII.Related party transactions

(I)Parent company and ultimate controller

The Company (incorporated in the Republic of China) has 48.51% of its shares controlled by AAEON Technology Inc. AAEON Technology Inc. is the parent company, whereas ASUSTeK Computer Inc. is the ultimate controller of the Company.

(II)Name and relationship of related parties

Name of related party	Relationship with the Group
ASUSTeK Computer Inc.	The Company's ultimate parent company
AAEON Technology Inc.	The Company's parent company
AAEON Technology (Su Zhou) Inc.	Affiliated subsidiary - with common ultimate parent
AAEON TECHNOLOGY SINGAPORE PTE.LTD.	Affiliated subsidiary - with common ultimate parent
AAEON ELECTRONICS,INC.	Affiliated subsidiary - with common ultimate parent
Winmate Inc.	Associated company - investee accounted by the Company using the equity method
ProtectLife International Biomedical Inc.	Associated company - investee accounted by the Company using the equity method
IBASE Technology Inc.	Other related party - investee accounted by the Company's parent using the equity method
IBASE (Shanghai) Technology Inc.	Other related party - subsidiary of an investee accounted by the Company's parent using the equity method
WT Microelectronics Co., Ltd.	Other related party - investee accounted by the Company's affiliated subsidiary using the equity method
NuVision Technology, Inc.	Other related party - subsidiary of an investee accounted by the Company's affiliated subsidiary using the equity method
Morrihan International Corp.	Other related party - subsidiary of an investee accounted by the Company's affiliated subsidiary using the equity method
Fu Li Investment Co., Ltd.	Other related party - the Company's Chairman concurrently serves as chairman in the entity
AtechOEM Inc.	Other related party - the Company's Chairman concurrently serves as director in the entity
AAEON Foundation	Other related party - the Company's Chairman concurrently serves as chairman in the foundation
Kinpo Electronics Inc.	Other related party - iHELPER's chairman serves as director for the entity
Spark Technologies Inc.	Other related party - the Company's Chairman is the spouse to the chairman of the entity
LYDS Technologies Inc.	Other related party - the Company's Chairman is the spouse to the chairman of the entity
Chuang, Yung-Shun	Executive management - the Company's Chairman

(III) Major transactions with related parties

1. Operating revenues

	January 1 to March 31, 2024	January 1 to March 31, 2023
Sales of goods:		
Parent company	$ 48	$ 207
Affiliated subsidiary of the same group	1,320	297
Associated company	36	-
Other related parties	3,221	2,531
	$ 4,625	$ 3,035

Selling prices of transactions with related parties were determined between the Group and the related counterparties, and there were no transactions of similar nature available for comparison. Other sales transactions were handled according to normal trade terms (at market price). Sales proceeds were collectible 30-90 days after shipment or 30-90 days after the current month-end.

2. Purchases

	January 1 to March 31, 2024	January 1 to March 31, 2023
Purchase of merchandise:		
Parent company		
AAEON Technology Inc.	$ 20,406	$ 27,758
Associated company	1,644	1,290
Other related parties	3,017	6,012
	$ 25,067	$ 35,060

The abovementioned purchases were handled according to normal trade terms (at market price). Payments were made 30 days after delivery or 30-60 days after month-end.

3. Operating costs and expenses

	January 1 to March 31, 2024	January 1 to March 31, 2023
Parent company	$ 1,304	$ 1,581
Affiliated subsidiary of the same group	1,197	1,316
Associated company	4	76
Other related parties	2,350	2,226
	$ 4,855	$ 5,199

The above operating costs and expenses mainly represent service charges, rental expenses, and donations.

4. Rental income (presented as other income)

	January 1 to March 31, 2024	January 1 to March 31, 2023
Parent company		
AAEON Technology Inc.	$ -	$ 136
Other related parties		
LYDS Technologies Inc.	-	165
	$ -	$ 301

Rent between the Group and related parties is negotiated after taking into consideration the market rate of nearby areas. Rent payments are collected on a monthly basis.

5. Related party receivables

	March 31, 2024	December 31, 2023	March 31, 2023
Accounts receivable:			
Parent company	$ 5	$ 9	$ 3
Affiliated subsidiary of the same group	1,079	108	6
Associated company	33	-	155
Other related parties	619	631	2,531
	$ 1,736	$ 748	$ 2,695
Other receivables:			
Parent company			
AAEON Technology Inc.	$ 10,791	$ -	$ -
Other related parties	-	-	197
	$ 10,791	$ -	$ 197

6. Related party payables

	March 31, 2024	December 31, 2023	March 31, 2023
Accounts payable:			
Parent company			
AAEON Technology Inc.	$ 9,451	$ 312	$ 13,278
Associated company	1,677	-	124
Other related parties	2,623	1,083	5,749
	$ 13,751	$ 1,395	$ 19,151

	March 31, 2024	December 31, 2023	March 31, 2023
Other payables:			
Parent company	$ 550	$ 224	$ 5,428
Associated company	4	-	80
Other related parties	91	-	-
	$ 645	$ 224	$ 5,508

7. Property transaction

Acquisition of property, plant, and equipment

	January 1 to March 31, 2024	January 1 to March 31, 2023
Parent company		
AAEON Technology Inc.	$ -	$ 2,639

(IV)Compensation for key management

	January 1 to March 31, 2024	January 1 to March 31, 2023
Short-term employee benefits	$ 9,977	$ 11,622
Retirement benefits	133	145
Share-based payment	188	299
	$ 10,298	$ 12,066

VIII.Pledged assets

The Group had placed the following assets as collaterals:

	Book value			
Assets	March 31, 2024	December 31, 2023	March 31, 2023	Purpose of security
Time deposits (statement of financial assets at amortized cost - current)	$ 32,960	$ 31,626	$ -	Guarantee of short-term borrowings and forward exchange contract
Time deposit (presented as other current assets)	$ -	$ -	$ 914	Security for forward exchange contract
Guarantee deposits paid (presented as other current and non assets)	$ 2,174	$ 2,167	$ 3,573	Rental deposit for office and warehouse space, and deposit for special projects
Land (listed under property, plant and equipment)	$ 229,660	$ 229,660	$ 229,660	Long-term loans
Buildings (listed under property, plant and equipment)	$ 44,325	$ 44,731	$ 45,951	Long-term loans

IX.Major contingent liabilities and unrecognized contractual commitments

(I) Contingencies

None.

(II) Commitments

None.

X.Losses from major disasters

None.

XI.Major post-balance sheet date events

The board of directors passed a resolution on April 1, 2024 to issue employee warrants. A total of 1,000 units of the warrant are to be issued, and each warrant is vested with the right to subscribe 1 thousand shares. 1,000 thousand new common shares will have to be issued when the warrants are exercised, and the subscription price per share will be determined according to policy. As of May 8, 2024, the details of which had yet to be resolved by shareholders.

XII.Others

(I) Capital management

Objectives of the Group's capital management efforts are to ensure continuity of business activities and maintain the optimal capital structure that minimizes funding costs while maximizing returns for shareholders. To maintain or adjust the capital structure, the Group may revise the amount in dividends paid to shareholders, refund capital back to shareholders, issue new shares, or reduce debts by making more effective use of working capital.

(II) Financial instruments

1. Types of financial instrument

	March 31, 2024	December 31, 2023	March 31, 2023
Financial assets			
Financial assets at fair value through profit or loss			
Financial assets mandatory to be carried at fair value through profit or loss	$ 48,551	$ 46,026	$ 40,654
Financial assets at fair value through other comprehensive income			
Voluntarily designated as an investment in an equity instrument	$ 141,630	$ 68,756	$ 2,381
Financial assets carried at cost after amortization			
Cash and cash equivalents	$ 426,090	$ 366,767	$ 353,587
Financial assets carried at cost after amortization	32,960	31,626	-
Notes receivable	-	3	3,439
Accounts receivable	142,751	191,375	199,724
Accounts receivable - related parties	1,736	748	2,695
Other receivables (including related parties)	13,725	2,144	3,300
Other financial assets (presented as other current assets)	-	-	914
Guarantee deposits paid (presented as other non-current assets)	2,174	2,167	3,573
	$ 619,436	$ 594,830	$ 567,232
Financial liabilities			
Financial liabilities carried at cost after amortization			
Short-term loans	$ 27,000	$ 27,000	$ -
Accounts payable	128,058	67,160	85,136
Accounts payable - related parties	13,751	1,395	19,151
Other payables (including related parties)	76,882	79,704	69,105
Long-term loans (including those due within one year)	142,371	144,975	152,701
	$ 388,062	$ 320,234	$ 326,093
Lease liabilities	$ 40,401	$ 34,766	$ 36,899

2. Risk management policy

(1) The Group's day-to-day operations are susceptible to multiple forms of financial risk, including market risks (exchange rate risk, interest rate risk, and price risk), credit risks, and liquidity risks.

(2) Risk management is performed by the Group's Treasury Department according to board-approved policies. The Treasury Department is responsible for identifying, assessing, and mitigating financial risks, and it achieves this by working closely with other departments within the Group. The board of directors has implemented written principles on risk management practices and outlined policies for specific matters such as exchange rate risk, interest rate risk, credit risk, use of derivative/non-derivative instruments, and investment of residual liquid capital.

3. Characteristics and level of significant financial risks

(1) Market risk

Exchange rate risk

A. The Group is a multinational organization, and transactions undertaken by the Company and subsidiaries in currencies other than the functional currency would give rise to exchange rate risks. USD accounts for the highest exposure of exchange rate risk. Exchange rate risks arise from future commercial transactions and recognized amounts of assets and liabilities.

B. The management has implemented policies to guide Group affiliates in managing exchange rate risks associated with their functional currencies. All entities are required to hedge exchange rate risks through the Group's Treasury Department. Exchange rate risks are measured by the value of USD transactions that are highly likely to occur. Instruments such as forward exchange are used to mitigate the effect of exchange rate volatility on expected sales revenues.

C. Some of the Group's business activities involve non-functional currencies (the Company and some of its subsidiaries use NTD as the functional currency, while some overseas subsidiaries use USD as the functional currency) and are therefore susceptible to exchange rate fluctuations. Information on foreign currency-denominated assets and liabilities susceptible to significant exchange rate fluctuation is presented below:

	March 31, 2024				
	Foreign currency (thousand dollars)		Exchange rate		Book value (NTD)
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	$	7,920	32.00	$	253,440
Financial liabilities					
Monetary items					
USD:NTD		2,089	32.00		66,848

	December 31, 2023				
	Foreign currency (thousand dollars)		Exchange rate		Book value (NTD)
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	$	9,981	30.71	$	306,460
Financial liabilities					
Monetary items					
USD:NTD		1,112	30.71		34,158

	March 31, 2023				
	Foreign currency (thousand dollars)		Exchange rate		Book value (NTD)
(Foreign currency: functional currency)					
Financial assets					
Monetary items					
USD:NTD	$	8,524	30.45	$	259,556
Financial liabilities					
Monetary items					
USD:NTD		1,396	30.45		42,508

D. Total gain (loss) on exchange (realized and unrealized) recognized by the Group for monetary items susceptible to significant exchange rate fluctuation in the periods January 1 to March 31, 2024 and 2023, amounted to $10,189 and ($2,916), respectively.

E. The following is an analysis of risk exposures to various foreign currencies and impacts of significant exchange rate fluctuations:

		January 1 to March 31, 2024	
		Sensitivity analysis	
	Variation	Effect on profit and loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 2,534	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	668	-

		January 1 to March 31, 2023	
		Sensitivity analysis	
	Variation	Effect on profit and loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 2,596	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 425	-

Price risk

A. Equity instruments held by the Group exposed to price risks have been presented as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. For better management of price risks on equity instruments, the Group has implemented concentration limits and diversified its investment portfolio accordingly.

B. The Group mainly invests in equity instruments issued by local companies. Prices of these equity instruments are affected by the uncertainty associated with the future value of the underlying investment. A 1% rise/fall in the price of equity instruments would increase/decrease gain or loss on equity instruments at fair value through profit or loss, and hence net income, by $486 and $407 for the periods January 1 to March 31, 2024 and 2023, respectively, assuming that all other factors remain unchanged. For equity investments that are carried at fair value through other comprehensive income, the above changes would increase/decrease gain or loss on investment by $1,416 and $24, respectively.

Cash flow and fair value risk of interest rate

A. The Group's exposure to interest rate risk arises mainly from short-term and long-term loans borrowed at floating interest rates, which gives rise to the risk of cash flow change due to interest rates. This risk is partially offset by cash and cash equivalents held at a floating interest rate. The Group's floating rate borrowings for the periods January 1 to March 31, 2024 and 2023, were denominated in NTD.

B. A 1% rise/fall in the NTD borrowing interest rate would reduce/increase net income by $339 and $305 for the periods January 1 to March 31, 2024 and 2023, assuming that all other factors remain unchanged. These changes are mainly attributed to changes in interest expense on loans borrowed at the floating rate.

(2) Credit risk

A. Credit risk refers to the possibility of losses suffered by the Group due to its customers or financial instrument counterparties becoming unable to fulfill contractual obligations. These risk events mostly involve the counterparties being unable to settle and pay accounts receivable according to the prescribed terms.

B. The Group has developed credit risk management practices from a group perspective. According to the Group's internal credit policy, all operating entities are required to perform credit risk management and analysis on every new customer before establishing payment and delivery terms. The Company adopts an internal risk management system that assesses credit quality by considering customers' financial position, previous conduct, and other relevant factors. The board of directors sets individual counterparty risk limits based on internal or external assessments. Uses of credit limit are monitored on a regular basis.

C. The Group adopts the assumptions stated in IFRS 9 and treats a contract to be in default if payment is overdue for more than 120 days.

D. The Group has adopted the following assumptions mentioned in IFRS 9 to provide the basis for identifying any significant increase in the credit risk of a financial instrument held on hand after initial recognition:

A financial asset is considered to have exhibited a significant increase in credit risk after initial recognition when contractual payment (according to the terms of the underlying contract) becomes past due for more than 30 days.

E. The Group distinguishes notes and accounts receivable (including related parties) by customers' characteristics, and adopts a simplified approach along with the use of provision matrix and loss given default to estimate expected credit loss.

F. Financial assets that are rationally deemed unrecoverable after exhausting collection efforts are charged off. In which case, however, the Group will continue taking legal actions to secure debt entitlement. The Group had no charged-off debt with ongoing collection activities as of March 31, 2024, December 31, 2023, and March 31, 2023.

G. (1) Customers of good credit background and insured accounts receivable are subject to loss given default of 0.2%. As of March 31, 2024, December 31, 2023 and March 31, 2023, the Company had outstanding accounts receivable of $128,628, $169,182 and $183,273 and had made bad debt provisions of $258, $337 and $367, respectively.

(2) The Group takes into account multiple considerations, including the Monitoring Indicator published by National Development Council, future prospects, historical and current information etc. to determine loss given default, which is used for estimating loss provisions on accounts receivable from customers (including related parties) under normal credit conditions. Provision matrix as of March 31, 2024, December 31, 2023, and March 31, 2023 is as follows:

	Current	Overdue within 30 days	Overdue 31 - 60 days	Overdue 61 - 90 days	Overdue 91 - 120 days	Overdue 121 days and above	Total
March 31, 2024							
Expected loss given default	0.00~1.58%	8.42%	15.63%	45.15%	50.00%	100%	
Total book value	$ 15,939	$ 76	$ 368	$ 32	$ -	$ 14,086	$ 30,501
Loss provision	$ 226	$ 6	$ 51	$ 15	$ -	$ 14,086	$ 14,384

	Current	Overdue Within 30 days	Overdue 31-60 days	Overdue 61-90 days	Overdue 91-120 days	Overdue 121 days and above	Total
December 31, 2023							
Expected loss given default	0.00~1.58%	8.42%	15.63%	45.15%	50.00%	100%	
Total book value	$ 17,806	$ 6,221	$ 5	$ -	$ -	$ 13,823	$ 37,855
Loss provision	$ 280	$ 471	$ -	$ -	$ -	$ 13,823	$ 14,574

	Current	Overdue within 30 days	Overdue 31 - 60 days	Overdue 61 - 90 days	Overdue 91 - 120 days	Overdue 121 days and above	Total
March 31, 2023							
Expected loss given default	0.00~1.30%	7.71%	14.48%	44.38%	50.00%	100%	
Total book value	$ 16,049	$ 2,658	$ 4,875	$ -	$ 798	$ 12,931	$ 37,311
Loss provision	$ 131	$ 193	$ 705	$ -	$ 399	$ 12,931	$ 14,359

H. Below are changes in loss provision on notes and accounts receivable (including related parties), determined using the simplified approach:

	2024	2023
January 1	$ 14,911	$ 15,442
Reversal of impairment loss	(548)	(767)
Exchange rate impact	279	51
March 31	$ 14,642	$ 14,726

Losses reversed during the periods January 1 to March 31, 2024 and 2023, included $548 and $767 of losses reversed, respectively, on receivables from contracts with customers.

(3) Liquidity risk

A. Cash flow projections are made by individual operating entities within the Group, and consolidated by the Group Treasury Department. The Group Treasury Department is responsible for monitoring and predicting liquidity and capital requirements within the Group and ensuring that adequate capital has been sourced to support operational requirements.

B. As at March 31, 2024, December 31, 2023, and March 31, 2023, the Group had undrawn credit limits of $232,000, $232,000, and $194,000, respectively.

C. Non-derivative financial liabilities are presented in the chart below. The Group analyzes them based on their remaining timespan from the balance sheet date until contract maturity. The amount of contractual cash flow shown in the table below are not discounted.

March 31, 2024

Non-derivative financial liabilities	Within 1 year	1 to 2 years	2 to 5 years	5 years and above
Short-term loans (including estimated interest)	$ 27,041	$ -	$ -	$ -
Accounts payable	128,058	-	-	-
Accounts payable - related parties	13,751	-	-	-
Other payables (including related parties)	76,882	-	-	-
Long-term borrowings (including current portion maturing in one year and estimated interest)	13,174	13,174	39,521	94,430
Lease liabilities	4,863	4,430	11,080	26,082

December 31, 2023

Non-derivative financial liabilities	Within 1 year	1 to 2 years	2 to 5 years	5 years and above
Short-term loans (including estimated interest)	$ 27,074	$ -	$ -	$ -
Accounts payable	67,160	-	-	-
Accounts payable - related parties	1,395	-	-	-
Other payables (including related parties)	79,704	-	-	-
Long-term borrowings (including current portion maturing in one year and estimated interest)	13,076	13,076	39,229	97,010
Lease liabilities	3,493	3,225	7,471	26,086

March 31, 2023

Non-derivative financial liabilities	Within 1 year	1 to 2 years	2 to 5 years	5 years and above
Accounts payable	$ 85,136	$ -	$ -	$ -
Accounts payable - related parties	19,151	-	-	-
Other payables (including related parties)	69,105	-	-	-
Long-term borrowings (including current portion maturing in one year and estimated interest)	13,076	13,076	39,229	106,817
Lease liabilities	5,742	3,056	7,552	26,310

D. The Group does not expect cash flows in the maturity analysis to occur at an earlier time or in amounts that differ significantly.

(III) Fair value information

1. Valuation techniques and inputs used for measuring fair value of financial and non-financial instruments are defined below:

Level 1 input: Quotations that can be obtained from an active market (unadjusted) on the measurement date for asset or liability of equivalent nature. An active market is one where assets or liabilities are transacted in sufficient frequency and quantity and where price information is provided on an ongoing basis. The fair value of investments in listed shares is determined using this input.

Level 2 input: Inputs can be observed directly or indirectly on an asset or liability, except for quotations covered in level 1 input.

Level 3 input: Inputs that can not be observed for an asset or liability. Investments in equity instruments without an active market are valued using this input.

2. Financial instruments not measured at fair value

Accounts including cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable (including related parties), other receivables (including related parties), other financial assets (presented as other current assets), guarantee deposits paid (presented as other non-current assets), short-term loans, accounts payable (including related parties), other payables (including related parties), lease liabilities, long-term loans (including current portion due in one year), and guarantee deposits received have book value that closely resembles their fair value.

3. Information on financial and non-financial instruments measured at fair value, classified by asset nature, characteristics, risks, and levels of fair value input:

(1) Group assets by nature:

March 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit or loss				
Equity securities	$ 7,602	$ -	$ 40,949	$ 48,551
Financial assets at fair value through other comprehensive income				
Equity securities	80,430	-	61,200	141,630
	$ 88,032	$ -	$ 102,149	$ 190,181

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit or loss				
Equity securities	$ 11,389	$ -	$ 34,637	$ 46,026
Financial assets at fair value through other comprehensive income				
Equity securities	68,756	-	-	68,756
	$ 80,145	$ -	$ 34,637	$ 114,782

March 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit or loss				
Equity securities	$ 10,723	$ -	$ 29,931	$ 40,654
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	2,381	2,381
	$ 10,723	$ -	$ 32,312	$ 43,035

(2) Methods and assumptions used for measuring fair value:

A. Instruments using market quotation as fair value input (i.e. level 1), distinguished by characteristics:

	TWSE/TPEX listed shares
Market quotation	Closing price

B. Except for financial instruments traded in active markets, as described above, fair values of all other financial instruments were obtained either by applying valuation techniques or by referring to counterparties' quotations.

C. For the valuation of non-standardized financial instruments of low complexity, the Group adopts valuation techniques that are commonly used among market participants. Valuation models for this type of financial instrument often use observable market information as the parameter.

D. Derivatives are valued using valuation models that are commonly accepted among market users, such as the discounted cash flow approach. Forward exchange contracts are usually valued using the prevailing forward exchange rate.

E. Results generated from the valuation model are approximations of the estimate. The valuation technique may not reflect all relevant factors associated with the holding of financial and non-financial instruments. For this reason, estimates generated from the valuation model are adjusted using additional parameters, such as modeling risks or liquidity risks. Judging by the Group's fair value assessment modeling policies and control procedures, the management is confident that they ensure a fair presentation for the fair values of financial and non-financial instruments shown on the balance sheet. All valuation adjustments made were appropriate and necessary. All price information and parameters used in the valuation process have been thoroughly assessed and adjusted appropriately according to the prevailing market conditions.

4. There had been no transfer between level 1 and level 2 input during the periods January 1 to March 31, 2024 and 2023.

5. Changes in level 3 input during the periods January 1 to March 31, 2024 and 2023, are explained below:

	2024	2023
	Equity instrument	Equity instrument
January 1	$ 34,637	$ 54,492
Purchases in the current period	61,200	-
Recognized through profit or loss (Note)	6,312	2,975
Outward transfer of level 3 input	-	(25,155)
March 31	$ 102,149	$ 32,312

Note: Presented as other gains and losses.

6. Transfer to or from level 3 inputs for the period January 1 to March 31, 2024: The outward transfer of level 3 input that occurred in the period January 1 to March 31, 2023 was due to the reclassification of ProtectLife shares, which used to be measured using level 3 input. Please see Note 6(7) for a detailed description.

7. The Treasury Department is responsible for validating the fair value of assets that require the use of level 3 fair value input. The department relies on independent sources of information to ensure that the valuation results closely resemble the market condition; it verifies that information is obtained from independent, reliable, and consistent sources; and makes necessary fair value adjustments to ensure that valuation results are reasonable.

   Furthermore, the Treasury Department has financial instrument fair value evaluation policies and procedures in place and adopts practices to ensure compliance with International Financial Reporting Standards.

8. Quantitative information and sensitivity of significant and unobservable inputs used for level 3 fair value measurement are explained below:

March 31, 2024

	Fair value		Valuation technique	Significant and unobservable input	Range (weighted average)	Relationship between input and fair value
Equity instrument:						
Non-listed shares	$	61,200	Discounted cash flow method	Note 1	Not applicable	Note 2
Shares of joint venture companies		40,949	Net asset value approach	Not applicable	Not applicable	Not applicable

December 31, 2023

	Fair value		Valuation technique	Significant and unobservable input	Range (weighted average)	Relationship between input and fair value
Equity instrument:						
Shares of joint venture companies	$	34,637	Net asset value approach	Not applicable	Not applicable	Not applicable

March 31, 2023

	Fair value		Valuation technique	Significant and unobservable input	Range (weighted average)	Relationship between input and fair value
Equity instrument:						
Non-listed shares	$	2,381	Discounted cash flow method	Note 1	Not applicable	Note 2
Shares of joint venture companies		29,931	Net asset value approach	Not applicable	Not applicable	Not applicable

Note 1: Long-term revenue growth rate, the weighted average cost of capital, long-term pre-tax operating profit, discount for lack of marketability, discount for minority interest.

Note 2: The higher the weighted average cost of capital, discount for lack of marketability, and discount for minority interest, the lower the fair value; the higher the long-term revenue growth rate and long-term pre-tax operating profit, the higher the fair value.

9. The Group exercises a high level of discretion and evaluation in the selection of valuation models and parameters. However, the uses of different valuation models or parameters may produce different valuation results. For financial assets classified as level 3 input, impacts on other comprehensive income in the event of a change in valuation parameter are explained below:

	Input	Variation	March 31, 2024 Recognized in other comprehensive income Favorable variation	 Adverse variation
Financial assets				
Equity instrument	Weighted average funding cost	±0.25%	$ 2,223	($ 2,097)

	Input	Variation	March 31, 2023 Recognized in other comprehensive income Favorable variation	 Adverse variation
Financial assets				
Equity instrument	Weighted average funding cost	±0.50%	$ 1,350	($ 1,250)

XIII. Other disclosures

(I) Information related to significant transactions

Significant transactions undertaken by the Group during the period January 1 to March 31, 2024, as defined in Regulations Governing the Preparation of Financial Reports by Securities Issuers, are explained below; transactions with subsidiaries have been eliminated while preparing the consolidated financial report and are disclosed below solely for reference.

1. Loans to external parties: None.
2. Endorsement/guarantee to external parties: None.
3. End-of-period holding position of marketable securities (excluding investment in subsidiaries, associated companies, and joint ventures): Please refer to Attachment 1.
4. Cumulative purchase or sale of the same marketable securities amounting to NT$300 million or more than 20% of the paid-up capital: None.
5. Acquisition of real estate amounting to NT$300 million or more than 20% of paid-up capital: None.

6. Disposal of real estate amounting to NT$300 million or more than 20% of paid-up capital: None.

7. Sales and purchases with related parties amounting to NT$100 million or more than 20% of paid-up capital: None.

8. Related party accounts receivable amounting to NT$100 million or more than 20% of paid-up capital: None.

9. Derivative transactions: None.

10. Major business dealings between the parent company and subsidiaries and transactions between subsidiaries: None.

(II) Information on business investments

Names, locations, and information on investees (excluding Mainland investees): Please see Attachment 2.

(III) Information relating to investments in the Mainland

1. Profile: Please see Attachment 3.

2. Significant transactions with Mainland investees, whether directly invested or indirectly invested through a third location: None.

(IV) Information on major shareholders

Information on major shareholders: Please see Attachment 4.

XIV. Segment information

(I) General information

The Group prepares regional information for its decision makers; regional information is sorted by the locations at which sales orders are received and is currently divided between Taiwan and the USA. Since the two regions differ significantly in terms of sales network, products, and distribution model and operate independently with respect to financial management and performance evaluation, the Group has identified Taiwan and the USA as the reporting segments.

(II) Assessment of segment information

The Group assesses the performance of each segment based on operating revenues. All segments adopt consistent accounting policies, as described in Note 4 - Summary of significant accounting policies of the consolidated financial report. Sales between segments are conducted based on the fair trade principle. Revenues from external sources reported to main decision makers are measured in a manner consistent with revenues of the statement of comprehensive income.

(III) Segment profit/loss

January 1 to March 31, 2024

	Taiwan	USA	Others	Eliminated upon consolidation	Consolidated
Income from customers other than the ultimate parent, parent, and consolidated subsidiaries	$ 172,568	$ 85,455	$ 17,317	$ -	$ 275,340
Income from consolidated subsidiaries	$ - 57,286	$ - 8	$ - 6,172	$ - (63,466)	-
	$ 229,854	$ 85,463	$ 23,489	($ 63,466)	$ 275,340
Segment profit/loss	$ 28,968	($ 5,882)	($ 328)	$ -	$ 22,758
Segment profit/loss includes:					
Depreciation and amortization	$ 5,302	$ 104	$ 549	$ -	$ 5,955

January 1 to March 31, 2023

	Taiwan	USA	Others	Eliminated upon consolidation	Consolidated
Income from customers other than the ultimate parent, parent, and consolidated subsidiaries	$ 228,771	$ 84,724	$ 14,447	$ -	$ 327,942
Income from consolidated subsidiaries	86,486	-	6,880	(93,366)	-
	$ 315,257	$ 84,724	$ 21,327	($ 93,366)	$ 327,942
Segment profit/loss	$ 41,436	($ 7,989)	($ 2,199)	$ -	$ 31,248
Segment profit/loss includes:					
Depreciation and amortization	$ 5,502	$ 99	$ 629	$ -	$ 6,230

Note: Information on segment assets and liabilities was not provided to key decision makers of the Group, and therefore were not disclosed.

(IV) Reconciliation of segment profit/loss

Sales of merchandise (product) and rendering of service between segments are conducted based on the fair trade principle. Revenues from external sources and financial information reported to main decision makers are measured in a manner that is consistent with the revenues and financial information presented in the statement of comprehensive income. Reconciliation between segment profit/loss and pre-tax profit from continuing operations for the current period:

	January 1 to March 31, 2024	January 1 to March 31, 2023
Net income from reporting segments	$ 23,086	$ 33,447
Net loss from other reporting segments	(328)	(2,199)
Total across segments	$ 22,758	$ 31,248
Gain on financial assets at fair value through profit or loss	8,172	6,487
Other gains and losses	26,854	23,136
Financial costs	(785)	(697)
Pre-tax profit from continuing operations	$ 56,999	$ 60,174

ONYX Healthcare Inc. and Subsidiaries
End-of-period marketable securities holding position (excluding investment in subsidiaries, associated companies and joint ventures)
March 31, 2024

Attachment 1

Unit: NT$ thousand
(unless specified otherwise)

Company name	Type of security	Name of security (Note 1)	Relationship with the securities issuer (Note 2)	Account category	End-of-period Shares	End-of-period Book value (Note 3)	End-of-period Shareholdings percentage	End-of-period Fair value	Remarks (Note 4)
ONYX Healthcare Inc.	Shares	Top Union Electronics Corp.	None	Financial assets at fair value through profit or loss - current	223,918	7,602	0.16%	7,602	None
ONYX Healthcare Inc.	Shares	Taiwan Star Venture Capital Investment Co., Ltd.	None	Financial assets at fair value through profit or loss - non-current	3,000,000	40,949	13.04%	40,949	None
ONYX Healthcare Inc.	Shares	MELTEN CONNECTED HEALTHCARE INC.	None	Financial assets at fair value through other comprehensive income - non-current	4,193,548	-	6.61%	-	None
ONYX Healthcare Inc.	Shares	Top Union Electronics Corp.	None	Financial assets at fair value through other comprehensive income - non-current	2,369,082	80,430	1.71%	80,430	None
ONYX Healthcare Inc.	Shares	Creative Life Science Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	900,000	61,200	4.25%	61,200	None

Note 1: Securities mentioned in the financial statements shall refer to shares, bonds, beneficiary certificates, and any securities derived from the above, as specified in IFRS 9 "Financial Instruments."
Note 2: Not required if the securities issuer is a non-related party.
Note 3: For items that are measured at fair value, the amount in fair value after adjustment and net of cumulative impairment is shown in the book value column; for items that are not measured at fair value, the amount in original acquisition cost or cost after amortization net of cumulative impairment is shown in the book value column.
Note 4: All securities that have been placed as collateral, borrowed against, or are subject to restrictions under agreed terms shall have details such as the quantity pledged, the amount charged, and restrictions explained in the remarks column.

ONYX Healthcare Inc. and Subsidiaries
Names, locations and information on investees (excluding Mainland investees)
January 1 to March 31, 2024

Attachment 2

Unit: NT$ thousand
(unless specified otherwise)

Name of investor	Name of investee (Notes 1 and 2)	Location	Main business activities	Sum of initial investment		Period-end holding position			Current period profit/loss of the investee (Note 2(2))	Investment gains/losses recognized in the current period (Note 2(3))	Remarks
				End of current period	End of previous year	Shares	Percentage (%)	Book value			
ONYX Healthcare Inc.	ONYX HEALTHCARE USA, INC.	USA	Sale of medical computers and peripherals	$ 64,000	$ 61,410	200,000	100	$ 94,016	($ 5,878)	($ 5,878)	None
ONYX Healthcare Inc.	ONYX HEALTHCARE EUROPE B.V.	The Netherlands	Marketing support, maintenance, and sales of medical computers and peripherals	3,446	3,398	100,000	100	21,243	397	397	None
ONYX Healthcare Inc.	iHELPER Inc.	Taiwan	Research, development, and sale of medical robots	16,560	16,560	1,656,000	46	6,979	(9)	(647)	None
ONYX Healthcare Inc.	Winmate Inc.	Taiwan	Tendering, quotation, and distribution of LCD equipment and modules	568,585	568,585	10,244,000	13	649,455	133,843	17,402	None
ONYX Healthcare Inc.	ProtectLife International Biomedical Inc.	Taiwan	Production and wholesaling of medical equipment, consumables, and related products	44,380	44,380	2,188,000	11	33,185	(10,858)	(1,500)	None

Note 1: If the public company has set up a foreign holding entity and prepared a consolidated financial report on the holding entity according to local regulations, information on foreign investees can be disclosed to the level of the foreign holding entity, and no further breakdown is needed.

Note 2: Companies that do not meet the condition described in Note 1 shall complete the form according to the following rules:

(1) For columns including "Name of investor," "Location," "Main business activities," "Sum of initial investment" and "Period-end holding position," list down investees that are held by the Company first, followed by those held by directly controlled investees and indirectly controlled investees. Specify in the remarks column the relationship between each investee and the Company (such as a subsidiary or 2nd-tier subsidiary).

(2) For "Current period profit/loss of the investee," specify the amount of profit or loss made by each investee in the current period.

(3) For "Investment gains/losses recognized in the current period," specify only the amount of profit or loss that the Company has recognized from directly held subsidiaries and equity-accounted investees. No disclosure is needed on indirectly held investees. When disclosing "current gains/losses recognized on directly held subsidiaries," make sure that the gains/losses already include investment gains/losses that they are required to recognize on their investments.

Note 3: Amounts denominated in foreign currencies shall be converted into NTD using either the average exchange rate from January 1 to March 31, 2024 for profit or loss items or the exchange rate at the end of the reporting period for all other items.

ONYX Healthcare Inc. and Subsidiaries
Mainland investments - profile
January 1 to March 31, 2024

Attachment 3

Unit: NT$ thousand
(unless specified otherwise)

Name of Mainland investee	Main business activities	Paid-up capital	Method of investment (Note 1)	Opening cumulative balance of investment capital invested from Taiwan	Investment capital contributed or recovered during the current period: Invested	Investment capital contributed or recovered during the current period: Recovered	Closing cumulative balance of investment capital invested from Taiwan	Current period profit/loss of the investee	The Company's direct or indirect holding percentage (%)	Investment gains (losses) recognized in the current period (Note 2(2)C.)	Closing investment book value	Investment gains recovered to date	Remarks
Onyx Healthcare (Shanghai) Inc.	Sale of medical computers and peripherals	$ 70,400	1	$ 70,400	$ -	$ -	$ 70,400	($ 674)	100	($ 674)	$ 2,745	$ -	None

Company name	Closing cumulative balance of investment capital transferred from Taiwan into Mainland China	Investment limit authorized by the Investment Commission, Ministry of Economic Affairs	Limits authorized by the Investment Commission, Ministry of Economic Affairs, for investing in Mainland China
ONYX Healthcare Inc.	$ 70,400	$ 70,400	$ 948,265

Note 1: Method of investment is distinguished between the three categories below, and presented in category name only:
(1) Direct investment into the Mainland
(2) Indirect investment into the Mainland through a third location (please indicate the name of the investee at the third location)
(3) Other methods

Note 2: With regards to investment gains/losses recognized in the current period:
(1) Additional remarks are made for investments that are in the midst of preparation and have yet to produce gains or losses
(2) Investment gains or losses are specified for having been recognized using one of the following three bases
A. Based on financial statements reviewed by the R.O.C. partner of an international CPA firm.
B. Based on auditor-reviewed financial statements of the parent company in Taiwan.
C. Based on investee's unaudited, non-auditor-reviewed financial statements for the corresponding period.

Note 3: Figures in this chart are presented in NTD.

Note 4: Amounts denominated in foreign currencies shall be converted into NTD using either the average exchange rate from January 1 to March 31, 2024 for profit or loss items or the exchange rate at the end of the reporting period for all other items.

ONYX Healthcare Inc. and Subsidiaries
Information on major shareholders
March 31, 2024

Attachment 4

	Shareholding	
Name of major shareholder	Number of shares held	Shareholding percentage (%)
AAEON Technology Inc.	16,257,179	48.51
Chuang, Yung-Shun	2,745,068	8.19
ASUSTeK Computer Inc.	1,694,112	5.05

Note 1: Information on major shareholders, as presented in this chart, was taken from records of Taiwan Depository & Clearing Corporation as at the final business day of the reported quarter; and included parties holding book-entry common and preferred shares (including treasury stock) for aggregate ownership of 5% and above.
Share capital reported in the Company's financial statements may differ from the number of shares delivered via book entry due to different basis of preparation/calculation.

Note 2: Shareholders who placed shares under the trust are disclosed in trustors' sub-accounts held with various trustees. According to Securities and Exchange Act, shareholders with more than 10% ownership interest are subject to insider equity reporting. Insider equity includes shares held in own name and any shares placed under a trust that the insider has control over. Please access Market Observation Post System for reports on insider equity.