

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheet**  
**June 30, 2024, December 31 and June 30, 2023**  
**(Expressed in thousands of New Taiwan dollars)**

	2024/6/30		2023/12/31		2023/6/30			2024/6/30		2023/12/31		2023/6/30	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Assets</b>							<b>Liabilities and Equity</b>						
<b>Current assets :</b>							<b>Current liabilities :</b>						
Cash and cash equivalents	\$ 5,424,298	23	\$ 3,200,675	14	\$ 4,948,207	19	Current borrowings	\$ 1,993,422	8	\$ 880,246	4	\$ 3,920,339	15
Current financial assets at fair value through profit or loss	10,594	-	36,298	-	5,337	-	Current financial liabilities at fair value through profit or loss	11,861	-	778	-	14,349	-
Current financial assets at amortised cost	3,258	-	20,000	-	20,000	-	Accounts payable(including related parties)	3,562,957	15	4,269,356	18	3,171,865	12
Notes and accounts receivable, net	3,552,850	15	4,898,517	21	5,099,697	20	Accrued expenses	503,626	2	565,992	2	681,678	3
Accounts receivable due from related parties, net	-	-	765	-	-	-	Dividends payable, non-cash assets distributions	743,260	3	-	-	1,211,886	5
Inventories	6,922,552	29	7,454,980	31	7,418,871	29	Current tax liabilities	337,767	1	378,337	2	322,501	1
Non-current assets or disposal groups classified as held for sale	-	-	110,769	-	-	-	Current provisions	275,735	1	366,787	2	392,805	2
Other current assets	814,015	3	745,897	3	1,066,946	4	Liabilities related to non-current assets or disposal groups classified as held for sale	-	-	1,137	-	-	-
	<u>16,727,567</u>	<u>70</u>	<u>16,467,901</u>	<u>69</u>	<u>18,559,058</u>	<u>72</u>	Other current liabilities, others	1,757,723	8	2,298,891	9	2,079,592	8
								<u>9,186,351</u>	<u>38</u>	<u>8,761,524</u>	<u>37</u>	<u>11,795,015</u>	<u>46</u>
<b>Non-current assets :</b>							<b>Non-current liabilities :</b>						
Non-current financial assets at fair value through other comprehensive income	178,781	1	191,331	1	171,994	1	Bonds payable	130,701	1	264,612	1	496,540	2
Non-current financial assets at amortised cost	180,765	1	171,565	-	146,025	-	Non-current portion of non-current borrowings	575,000	3	700,000	3	-	-
Property, plant and equipment	4,210,633	17	4,273,214	18	4,383,100	17	Non-current lease liabilities	287,591	1	292,911	1	306,861	1
Right-of-use assets	650,339	3	649,134	3	590,150	2	Net defined benefit liability, non-current	84,932	-	105,243	-	103,996	-
Intangible assets	1,118,875	5	1,185,129	5	1,241,417	5	Other non-current liabilities	348,006	1	344,474	2	150,090	1
Deferred tax assets	501,710	2	496,387	2	205,318	1		<u>1,426,230</u>	<u>6</u>	<u>1,707,240</u>	<u>7</u>	<u>1,057,487</u>	<u>4</u>
Other non-current assets, others	420,845	1	364,182	2	440,272	2	<b>Total liabilities</b>	<u>10,612,581</u>	<u>44</u>	<u>10,468,764</u>	<u>44</u>	<u>12,852,502</u>	<u>50</u>
	<u>7,261,948</u>	<u>30</u>	<u>7,330,942</u>	<u>31</u>	<u>7,178,276</u>	<u>28</u>	<b>Equity :</b>						
							Ordinary share	5,417,185	22	5,417,185	23	5,417,185	21
							Capital surplus	2,608,527	11	2,595,804	11	2,575,119	10
							Retained earnings :						
							Legal reserve	1,321,375	6	1,266,681	5	1,266,681	5
							Special reserve	267,982	1	226,548	1	226,548	1
							earnings	461,081	2	774,486	3	640,358	2
								<u>2,050,438</u>	<u>9</u>	<u>2,267,715</u>	<u>9</u>	<u>2,133,587</u>	<u>8</u>
							Other equity interest	(38,962)	-	(267,983)	(1)	(294,448)	(1)
							Total equity attributable to owners of parent	10,037,188	42	10,012,721	42	9,831,443	38
							Non-controlling interests	3,339,746	14	3,317,358	14	3,053,389	12
							<b>Total equity</b>	<u>13,376,934</u>	<u>56</u>	<u>13,330,079</u>	<u>56</u>	<u>12,884,832</u>	<u>50</u>
<b>Total assets</b>	<u>\$ 23,989,515</u>	<u>100</u>	<u>\$ 23,798,843</u>	<u>100</u>	<u>\$ 25,737,334</u>	<u>100</u>	<b>Total liabilities and equity</b>	<u>\$ 23,989,515</u>	<u>100</u>	<u>\$ 23,798,843</u>	<u>100</u>	<u>\$ 25,737,334</u>	<u>100</u>

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**

For the three-month periods from April 1 to June 30, 2024 and 2023, and the six-month periods from January 1 to June 30, 2024 and 2023  
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	2024/4/1-2024/6/30		2023/4/1-2023/6/30		2024/1/1-2024/6/30		2023/1/1-2023/6/30	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Operating revenue</b>	\$ 5,684,460	100	7,745,325	100	10,864,660	100	15,614,665	100
<b>Operating costs</b>	4,759,784	84	6,382,869	82	8,932,099	82	12,852,438	82
<b>Gross profit from operations</b>	924,676	16	1,362,456	18	1,932,561	18	2,762,227	18
<b>Operating expenses :</b>								
Selling expenses	271,682	5	355,862	5	532,673	5	654,828	4
Administrative expenses	290,473	5	273,434	4	533,165	5	588,586	4
Research and development expenses	461,461	8	493,370	6	859,936	8	956,558	6
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	(4,066)	-	(40,238)	(1)	4,608	-	(31,083)	-
<b>Total operating expenses</b>	1,019,550	18	1,082,428	14	1,930,382	18	2,168,889	14
<b>Net operating income (loss)</b>	(94,874)	(2)	280,028	4	2,179	-	593,338	4
<b>Non-operating income and expenses :</b>								
Other income	11,551	-	21,888	-	45,322	-	41,724	-
Other gains and losses	457,941	8	6,686	-	450,010	4	(38,723)	-
Finance costs	(43,076)	(1)	(40,307)	-	(75,847)	-	(71,848)	-
Interest income	35,915	1	23,165	-	48,793	-	40,226	-
<b>Total non-operating income and expenses</b>	462,331	8	11,432	-	468,278	4	(28,621)	-
<b>Profit (loss) before tax</b>	367,457	6	291,460	4	470,457	4	564,717	4
<b>Tax expenses</b>	75,762	1	13,745	-	99,003	1	100,148	1
<b>Profit (loss)</b>	291,695	5	277,715	4	371,454	3	464,569	3
<b>Other comprehensive income:</b>								
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>								
plans	-	-	-	-	648	-	-	-
Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(12,550)	-	-	-	(12,550)	-	-	-
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>	(12,550)	-	-	-	(11,902)	-	-	-
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>								
Exchange differences on translation	66,982	1	(55,353)	(1)	294,804	3	(51,143)	-
<b>Total Components of other comprehensive income that will be reclassified to profit or loss</b>	66,982	1	(55,353)	(1)	294,804	3	(51,143)	-
<b>Other comprehensive income, net</b>	54,432	1	(55,353)	(1)	282,902	3	(51,143)	-
<b>Total comprehensive income</b>	<b>\$ 346,127</b>	<b>6</b>	<b>222,362</b>	<b>3</b>	<b>654,356</b>	<b>6</b>	<b>413,426</b>	<b>3</b>
<b>Profit (loss), attributable to:</b>								
Profit (loss), attributable to owners of parent	\$ 262,948	4	238,917	3	329,456	3	412,816	3
Profit (loss), attributable to non-controlling interests	28,747	1	38,798	1	41,998	-	51,753	-

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
For the six-month periods from January 1 to June 30, 2024 and 2023  
(Expressed in thousands of New Taiwan dollars)

	<u>2024/1/1~2024/6/30</u>	<u>2023/1/1~2023/6/30</u>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit before tax</b>	\$ 470,457	564,717
<b>Adjustments</b>		
<b>Adjustments to reconcile profit (loss)</b>		
Depreciation expenses	254,306	284,858
Amortization expenses	106,104	110,139
Expected credit loss (gain)	4,608	(31,083)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	7,312	(419)
Interest expense	75,847	71,848
Interest income	(48,793)	(40,226)
Loss (gain) on disposal of property, plant and equipment	585	(203)
Provision for inventory obsolescence and devaluation loss	82,132	127,834
Gain on disposal of non-current assets classified as held for sale	(466,786)	-
<b>Total adjustments to reconcile profit (loss)</b>	<u>15,315</u>	<u>522,748</u>
<b>Changes in operating assets and liabilities:</b>		
Notes and accounts receivable (including related parties)	1,374,707	538,176
Financial assets mandatorily at fair value through profit or loss	30,309	(9,972)
Inventories	583,095	1,823,788
Other current assets	(54,879)	17,433
Financial liabilities held for trading	(778)	14,349
Accounts payable (including related parties)	(749,448)	(1,832,541)
Other payable to related parties	3,100	4,908
Other current liabilities	(701,307)	(505,417)
Net defined benefit liability	(19,663)	(41,646)
Other non-current liabilities	2,068	(15,829)
<b>Total changes in operating assets and liabilities</b>	<u>467,204</u>	<u>(6,751)</u>
<b>Total adjustments</b>	<u>482,519</u>	<u>515,997</u>
Cash flows generated from (used in) operations	952,976	1,080,714
Interest received	48,478	39,833
Interest paid	(75,384)	(56,676)
Income taxes paid	(150,812)	(238,487)
<b>Net cash flows used in operating activities</b>	<u>775,258</u>	<u>825,384</u>
<b>Cash flows from (used in) investing activities</b>		
Proceeds from disposal of financial assets at fair value through profit or loss	-	56,146
Acquisition of financial assets at amortised cost	(3,258)	(240,000)
Proceeds from repayments of financial assets at amortised cost	41,000	220,000
Proceeds from disposal of non-current assets classified as held for sale	536,388	-
Acquisition of property, plant and equipment	(61,312)	(413,881)
Proceeds from disposal of property, plant and equipment	16,297	4,939
(Increase) decrease in refundable deposits	(28,167)	4,542
Acquisition of intangible assets	(38,800)	(47,165)
Increase in other non-current assets	(55,025)	(40,844)
<b>Net cash flows from (used in) investing activities</b>	<u>407,123</u>	<u>(456,263)</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term loans	5,159,841	7,992,153
Decrease in short-term loans	(4,102,234)	(8,103,212)
Proceeds from issuing bonds	-	631,884
Proceeds from long-term borrowings	25,000	-
Repayments of long-term borrowings	(150,000)	(26,000)
(Decrease) Increase in guarantee deposits received	(164)	312
Payments of lease liabilities	(22,516)	(22,597)
Due to donation assets received	10	16
<b>Net cash flows from (used in) financing activities</b>	<u>909,937</u>	<u>472,556</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>131,305</u>	<u>22,246</u>
<b>Net decrease in cash and cash equivalents</b>	2,223,623	863,923
<b>Cash and cash equivalents at beginning of period</b>	3,200,675	4,084,284
<b>Cash and cash equivalents at end of period</b>	<u>\$ 5,424,298</u>	<u>4,948,207</u>