

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

| | 2024/9/30 | | 2023/12/31 | | 2023/9/30 | | | 2024/9/30 | | 2023/12/31 | | 2023/9/30 | |
|---|----------------------|------------|----------------------|------------|----------------------|------------|--|----------------------|------------|----------------------|------------|----------------------|------------|
| | Amount | % | Amount | % | Amount | % | | Amount | % | Amount | % | Amount | % |
| Assets | | | | | | | Liabilities and Equity | | | | | | |
| Current assets : | | | | | | | Current liabilities : | | | | | | |
| Cash and cash equivalents | \$ 5,237,215 | 22 | \$ 3,200,675 | 14 | \$ 3,910,165 | 16 | Current borrowings | \$ 2,218,618 | 10 | \$ 880,246 | 4 | \$ 2,957,502 | 12 |
| Current financial assets at fair value through profit or loss | 22,244 | - | 36,298 | - | 13,900 | - | Current financial liabilities at fair value through profit or loss | 2,827 | - | 778 | - | 19,332 | - |
| Current financial assets at amortised cost | - | - | 20,000 | - | 20,000 | - | Accounts payable(including related parties) | 3,855,439 | 16 | 4,269,356 | 18 | 4,000,847 | 16 |
| Notes and accounts receivable, net | 3,575,575 | 15 | 4,898,517 | 21 | 4,384,976 | 18 | Accrued expenses | 415,637 | 2 | 565,992 | 2 | 590,007 | 2 |
| Accounts receivable due from related parties, net | 645 | - | 765 | - | - | - | Current tax liabilities | 299,856 | 1 | 378,337 | 2 | 394,477 | 2 |
| Inventories | 7,233,101 | 30 | 7,454,980 | 31 | 8,035,970 | 33 | Current provisions | 244,913 | 1 | 366,787 | 2 | 398,757 | 2 |
| Non-current assets or disposal groups classified as held for sale | - | - | 110,769 | - | - | - | Liabilities related to non-current assets or disposal groups classified as held for sale | - | - | 1,137 | - | - | - |
| Other current assets | 772,882 | 3 | 745,897 | 3 | 1,068,865 | 4 | Other current liabilities, others | 2,167,337 | 9 | 2,298,891 | 9 | 2,018,944 | 8 |
| | 16,841,662 | 70 | 16,467,901 | 69 | 17,433,876 | 71 | | 9,204,627 | 39 | 8,761,524 | 37 | 10,379,866 | 42 |
| Non-current assets : | | | | | | | Non-current liabilities : | | | | | | |
| Non-current financial assets at fair value through other comprehensive income | 142,600 | - | 191,331 | 1 | 171,994 | 1 | Bonds payable | - | - | 264,612 | 1 | 413,596 | 2 |
| Non-current financial assets at amortised cost | 188,886 | 1 | 171,565 | - | 144,328 | - | Non-current portion of non-current borrowings | 575,000 | 2 | 700,000 | 3 | - | - |
| Property, plant and equipment | 4,088,414 | 17 | 4,273,214 | 18 | 4,363,260 | 18 | Non-current lease liabilities | 278,485 | 1 | 292,911 | 1 | 301,765 | 1 |
| Right-of-use assets | 630,147 | 3 | 649,134 | 3 | 590,926 | 2 | Net defined benefit liability, non-current | 84,952 | - | 105,243 | - | 104,131 | - |
| Intangible assets | 1,099,064 | 5 | 1,185,129 | 5 | 1,203,546 | 5 | Other non-current liabilities | 355,772 | 2 | 344,474 | 2 | 141,530 | 1 |
| Deferred tax assets | 499,205 | 2 | 496,387 | 2 | 230,806 | 1 | | 1,294,209 | 5 | 1,707,240 | 7 | 961,022 | 4 |
| Other non-current assets, others | 454,250 | 2 | 364,182 | 2 | 527,124 | 2 | Total liabilities | 10,498,836 | 44 | 10,468,764 | 44 | 11,340,888 | 46 |
| | 7,102,566 | 30 | 7,330,942 | 31 | 7,231,984 | 29 | Equity : | | | | | | |
| | | | | | | | Ordinary share | 5,417,185 | 23 | 5,417,185 | 23 | 5,417,185 | 22 |
| | | | | | | | Capital surplus | 2,614,302 | 11 | 2,595,804 | 11 | 2,582,329 | 10 |
| | | | | | | | Retained earnings : | | | | | | |
| | | | | | | | Legal reserve | 1,321,375 | 5 | 1,266,681 | 5 | 1,266,681 | 5 |
| | | | | | | | Special reserve | 267,982 | 1 | 226,548 | 1 | 226,548 | 1 |
| | | | | | | | earnings | 433,588 | 2 | 774,486 | 3 | 723,752 | 3 |
| | | | | | | | | 2,022,945 | 8 | 2,267,715 | 9 | 2,216,981 | 9 |
| | | | | | | | Other equity interest | (75,273) | - | (267,983) | (1) | (76,825) | - |
| | | | | | | | Total equity attributable to owners of parent | 9,979,159 | 42 | 10,012,721 | 42 | 10,139,670 | 41 |
| | | | | | | | Non-controlling interests | 3,466,233 | 14 | 3,317,358 | 14 | 3,185,302 | 13 |
| | | | | | | | Total equity | 13,445,392 | 56 | 13,330,079 | 56 | 13,324,972 | 54 |
| Total assets | \$ 23,944,228 | 100 | \$ 23,798,843 | 100 | \$ 24,665,860 | 100 | Total liabilities and equity | \$ 23,944,228 | 100 | \$ 23,798,843 | 100 | \$ 24,665,860 | 100 |

ALPHA NETWORKS INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

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

| | 2024/7/1-2024/9/30 | | 2023/7/1-2023/9/30 | | 2024/1/1-2024/9/30 | | 2023/1/1-2023/9/30 | |
|--|--------------------|-----|--------------------|-----|--------------------|-----|--------------------|-----|
| | Amount | % | Amount | % | Amount | % | Amount | % |
| Operating revenue | \$ 4,950,977 | 100 | 5,861,401 | 100 | 15,815,637 | 100 | 21,476,066 | 100 |
| Operating costs | 3,984,982 | 80 | 4,674,810 | 80 | 12,917,081 | 82 | 17,527,248 | 82 |
| Gross profit from operations | 965,995 | 20 | 1,186,591 | 20 | 2,898,556 | 18 | 3,948,818 | 18 |
| Operating expenses : | | | | | | | | |
| Selling expenses | 273,326 | 5 | 337,950 | 6 | 805,999 | 5 | 992,778 | 4 |
| Administrative expenses | 224,386 | 5 | 264,762 | 4 | 757,551 | 5 | 853,348 | 4 |
| Research and development expenses | 421,351 | 9 | 478,607 | 8 | 1,281,287 | 8 | 1,435,165 | 7 |
| Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9 | 475 | - | 423 | - | 5,083 | - | (30,660) | - |
| Total operating expenses | 919,538 | 19 | 1,081,742 | 18 | 2,849,920 | 18 | 3,250,631 | 15 |
| Net operating income (loss) | 46,457 | 1 | 104,849 | 2 | 48,636 | - | 698,187 | 3 |
| Non-operating income and expenses : | | | | | | | | |
| Other income | 14,498 | - | 20,193 | - | 59,820 | - | 61,917 | - |
| Other gains and losses | (65,911) | (1) | 28,724 | - | 384,099 | 2 | (9,999) | - |
| Finance costs | (36,080) | (1) | (47,028) | - | (111,927) | - | (118,876) | - |
| Interest income | 26,509 | 1 | 16,275 | - | 75,302 | - | 56,501 | - |
| Total non-operating income and expenses | (60,984) | (1) | 18,164 | - | 407,294 | 2 | (10,457) | - |
| Profit (loss) before tax | (14,527) | - | 123,013 | 2 | 455,930 | 2 | 687,730 | 3 |
| Tax expenses | (6,176) | - | 48,394 | 1 | 92,827 | - | 148,542 | - |
| Profit (loss) | (8,351) | - | 74,619 | 1 | 363,103 | 2 | 539,188 | 3 |
| Other comprehensive income: | | | | | | | | |
| Components of other comprehensive income that will not be reclassified to profit or loss | | | | | | | | |
| Gains (losses) on remeasurements of defined benefit plans | - | - | - | - | 648 | - | - | - |
| Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income | (4,207) | - | - | - | (16,757) | - | - | - |
| Components of other comprehensive income that will not be reclassified to profit or loss | (4,207) | - | - | - | (16,109) | - | - | - |
| Components of other comprehensive income that will be reclassified to profit or loss | | | | | | | | |
| Exchange differences on translation | (54,047) | (1) | 267,253 | 5 | 240,757 | 2 | 216,110 | 1 |
| Total Components of other comprehensive income that will be reclassified to profit or loss | (54,047) | (1) | 267,253 | 5 | 240,757 | 2 | 216,110 | 1 |
| Other comprehensive income, net | (58,254) | (1) | 267,253 | 5 | 224,648 | 2 | 216,110 | 1 |
| Total comprehensive income | \$ (66,605) | (1) | 341,872 | 6 | 587,751 | 4 | 755,298 | 4 |
| Profit (loss), attributable to: | | | | | | | | |
| Profit (loss), attributable to owners of parent | \$ (28,037) | - | 83,394 | 1 | 301,419 | 2 | 496,210 | 3 |
| Profit (loss), attributable to non-controlling interests | 19,686 | - | (8,775) | - | 61,684 | - | 42,978 | - |

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

| | <u>2024/1/1~2024/9/30</u> | <u>2023/1/1~2023/9/30</u> |
|---|---------------------------|---------------------------|
| Cash flows from (used in) operating activities: | | |
| Profit before tax | \$ 455,930 | 687,730 |
| Adjustments | | |
| Adjustments to reconcile profit (loss) | | |
| Depreciation expenses | 379,349 | 425,371 |
| Amortization expenses | 161,745 | 163,856 |
| Expected credit loss (gain) | 5,083 | (30,660) |
| Net loss (gain) on financial assets or liabilities at fair value through profit or loss | (13,372) | 5,128 |
| Interest expense | 111,927 | 118,876 |
| Interest income | (75,302) | (56,501) |
| Dividend income | (304) | (1,786) |
| Loss on disposal of property, plant and equipment | 2,635 | 7,787 |
| Provision for inventory obsolescence and devaluation loss | 41,889 | 190,993 |
| Loss on disposal of intangible assets | 0 | 3,073 |
| Gain on disposal of non-current assets classified as held for sale | (453,891) | - |
| Other adjustments to reconcile profit (loss) | (15) | - |
| Total adjustments to reconcile profit (loss) | <u>159,744</u> | <u>826,137</u> |
| Changes in operating assets and liabilities: | | |
| Notes and accounts receivable (including related parties) | 1,337,341 | 1,284,381 |
| Financial assets mandatorily at fair value through profit or loss | 30,309 | 5,320 |
| Inventories | 284,127 | 1,245,784 |
| Other current assets | 57,826 | 11,026 |
| Financial liabilities held for trading | (778) | (9,836) |
| Accounts payable (including related parties) | (472,269) | (1,038,538) |
| Other payable to related parties | 452 | (404) |
| Other current liabilities | (417,712) | (597,223) |
| Net defined benefit liability | (19,643) | (41,511) |
| Other non-current liabilities | 9,841 | (24,313) |
| Total changes in operating assets and liabilities | <u>809,494</u> | <u>834,686</u> |
| Total adjustments | <u>969,238</u> | <u>1,660,823</u> |
| Cash flows generated from (used in) operations | 1,425,168 | 2,348,553 |
| Interest received | 74,191 | 55,269 |
| Dividends received | 304 | 1,786 |
| Interest paid | (118,272) | (115,018) |
| Income taxes paid | (235,952) | (283,027) |
| Net cash flows used in operating activities | <u>1,145,439</u> | <u>2,007,563</u> |
| Cash flows from (used in) investing activities | | |
| Proceeds from disposal of financial assets at fair value through profit or loss | - | 56,025 |
| Proceeds from disposal of financial assets at fair value through other comprehensive income | 31,974 | - |
| Acquisition of financial assets at amortised cost | - | (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 | (84,437) | (500,436) |
| Proceeds from disposal of property, plant and equipment | 19,096 | 50,373 |
| (Increase) decrease in refundable deposits | (36,666) | 8,564 |
| Acquisition of intangible assets | (63,871) | (65,379) |
| Increase in other non-current assets | (111,795) | (114,146) |
| Net cash flows from (used in) investing activities | <u>331,689</u> | <u>(584,999)</u> |
| Cash flows from (used in) financing activities: | | |
| Increase in short-term loans | 8,381,183 | 12,716,198 |
| Decrease in short-term loans | (7,039,939) | (13,783,747) |
| Proceeds from issuing bonds | - | 631,884 |
| Proceeds from long-term borrowings | 25,000 | - |
| Repayments of long-term borrowings | (150,000) | (26,000) |
| Increase (Decrease) in guarantee deposits received | 496 | (133) |
| Payments of lease liabilities | (27,843) | (27,910) |
| Cash dividends paid | (547,136) | (915,504) |
| Due to donation assets received | 10 | 16 |
| Cash dividends paid distributed to non-controlling | (202,037) | (296,382) |
| Net cash flows from (used in) financing activities | <u>439,734</u> | <u>(1,701,578)</u> |
| Effect of exchange rate changes on cash and cash equivalents | <u>119,678</u> | <u>104,895</u> |
| Net decrease in cash and cash equivalents | <u>2,036,540</u> | <u>(174,119)</u> |
| Cash and cash equivalents at beginning of period | <u>3,200,675</u> | <u>4,084,284</u> |
| Cash and cash equivalents at end of period | <u>\$ 5,237,215</u> | <u>3,910,165</u> |