

**UNIMICRON TECHNOLOGY CORP. AND
SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT**

MARCH 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' 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 auditors' report and financial statements shall prevail.

UNIMICRON TECHNOLOGY CORP.
MARCH 31, 2023 AND 2022 CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
TABLE OF CONTENTS

Contents	Page
1. Cover Page	1
2. Table of Contents	2 ~ 3
3. Independent Auditors' Review Report	4 ~ 5
4. Consolidated Balance Sheets	6 ~ 7
5. Consolidated Statements of Comprehensive Income	8 ~ 9
6. Consolidated Statements of Changes in Equity	10
7. Consolidated Statements of Cash Flows	11 ~ 12
8. Notes to the Consolidated Financial Statements	13 ~ 93
(1) HISTORY AND ORGANISATION	13
(2) THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION	13
(3) APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS	13 ~ 14
(4) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	14 ~ 23
(5) CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND	23 ~ 24

	Page
KEY SOURCES OF ASSUMPTION UNCERTAINTY	
(6) DETAILS OF SIGNIFICANT ACCOUNTS	24 ~ 68
(7) RELATED PARTY TRANSACTIONS	69 ~ 72
(8) PLEDGED ASSETS	73
(9) SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS	73 ~ 75
(10) SIGNIFICANT DISASTER LOSS	75
(11) SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE	75
(12) OTHERS	75 ~ 90
(13) SUPPLEMENTARY DISCLOSURES	90 ~ 91
(14) SEGMENT INFORMATION	91 ~ 93

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

PWCR23000004

To the Board of Directors and Shareholders of Unimicron Technology Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of Unimicron Technology Corp. and its subsidiaries (the "Group") as at March 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three months then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2023 and 2022, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Emphasis of matter

As described in Notes 6(7) and (35), on March 30, 2022, the Company acquired the equity interest in Subtron Technology Co., Ltd. (Subtron Technology) through shares swap as approved by the Board of Directors. After the shares swap, Subtron Technology became a wholly-owned subsidiary of the Company. Additionally, the authority approved to set the effective date for the share swap on January 6, 2023, and the Company applied IFRS 3, 'Business combinations' for the related accounting treatment. Our conclusion is not modified in respect of this matter.

Other matter

We did not review the financial statements of certain consolidated subsidiaries. Those financial statements were reviewed by other independent auditors, whose reports thereon have been furnished to us, and our conclusion expressed herein, insofar as it relates to the amounts included in the financial statements was based solely on the review reports of other independent auditors. Those statements reflect total assets of NT\$1,628,122 thousand, constituting 1% of the consolidated total assets as at March 31, 2022, and total comprehensive income of NT\$62,415 thousand, constituting 1% of the consolidated total comprehensive income for the three months then ended.

Lin, Ya-Hui

Wu, Han-Chi

For and on Behalf of PricewaterhouseCoopers, Taiwan

April 25, 2023

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2023, DECEMBER 31, 2022 AND MARCH 31, 2022
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2023 and 2022 are reviewed, not audited)

	Assets	Notes	March 31, 2023		December 31, 2022		March 31, 2022	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 67,731,501	30	\$ 61,459,296	28	\$ 46,320,474	26
1110	Financial assets at fair value through profit or loss - current	6(2)	25,082	-	18,509	-	39,632	-
1150	Notes receivable, net	6(3)	33,416	-	7,429	-	27,651	-
1170	Accounts receivable, net	6(3) and 8	20,891,997	9	28,719,508	13	24,114,984	13
1180	Accounts receivable - related parties	7	10,545	-	19,401	-	31,196	-
1200	Other receivables	6(4)(8)(10) and 7	1,389,811	1	1,768,038	1	1,458,854	1
130X	Inventory	6(5)	10,233,563	5	12,834,619	6	12,622,597	7
1410	Prepayments	6(6)	2,265,410	1	2,743,023	1	2,252,202	1
1460	Non-current assets or disposal groups classified as held for sale, net	6(8)(11)	-	-	-	-	192,790	-
1470	Other current assets	6(1) and 8	36,762	-	17,864	-	17,849	-
11XX	Total current assets		<u>102,618,087</u>	<u>46</u>	<u>107,587,687</u>	<u>49</u>	<u>87,078,229</u>	<u>48</u>
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)	6,607,619	3	5,989,153	3	7,247,102	4
1517	Non-current financial assets at fair value through other comprehensive income		76,100	-	29,327	-	35,783	-
1535	Non-current financial assets at amortised cost	6(1) and 8	3,518,720	2	3,226,895	2	1,701,652	1
1550	Investments accounted for under equity method	6(7)	970,542	-	2,533,541	1	2,644,209	1
1600	Property, plant and equipment	6(8), 7 and 8	102,452,002	46	94,122,130	43	78,221,372	43
1755	Right-of-use assets	6(9) and 7	2,553,147	1	2,733,556	1	3,129,762	2
1760	Investment property - net	6(11)	386,531	-	387,378	-	402,861	-
1780	Intangible assets	6(12)	1,658,996	1	644,467	-	684,906	-
1840	Deferred income tax assets		1,362,608	1	1,194,695	1	1,493,845	1
1900	Other non-current assets	6(10)	311,890	-	214,600	-	266,984	-
15XX	Total non-current assets		<u>119,898,155</u>	<u>54</u>	<u>111,075,742</u>	<u>51</u>	<u>95,828,476</u>	<u>52</u>
1XXX	Total assets		<u>\$ 222,516,242</u>	<u>100</u>	<u>\$ 218,663,429</u>	<u>100</u>	<u>\$ 182,906,705</u>	<u>100</u>

(Continued)

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2023, DECEMBER 31, 2022 AND MARCH 31, 2022
(Expressed in thousands of New Taiwan dollars)
(The balance sheets as of March 31, 2023 and 2022 are reviewed, not audited)

Liabilities and Equity	Notes	March 31, 2023		December 31, 2022		March 31, 2022		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current liabilities								
2100	Short-term borrowings	6(13) and 8	\$ 4,666,945	2	\$ 7,645,409	4	\$ 6,951,484	4
2110	Short-term notes and bills payable	6(14)	300,000	-	300,000	-	349,975	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)(15)	40,430	-	10,455	-	107,760	-
2130	Current contract liabilities	6(26)	5,706,318	3	5,551,699	3	4,071,806	2
2150	Notes payable		1,491	-	1,595	-	1,961	-
2170	Accounts payable		8,428,610	4	11,432,803	5	11,742,037	7
2180	Accounts payable - related parties	7	120,414	-	193,406	-	203,921	-
2200	Other payables	6(16) and 7	19,918,110	9	21,791,021	10	17,611,836	10
2230	Current tax liabilities		5,716,675	3	5,062,569	2	3,848,580	2
2320	Long-term liabilities, current portion	6(19) and 8	2,787,859	1	2,411,085	1	2,515,647	1
2399	Other current liabilities	6(17) and 7	485,209	-	492,521	-	616,483	-
21XX	Total current liabilities		<u>48,172,061</u>	<u>22</u>	<u>54,892,563</u>	<u>25</u>	<u>48,021,490</u>	<u>26</u>
Non-current liabilities								
2527	Non-current contract liabilities	6(26)	42,802,736	19	42,318,477	19	32,865,284	18
2530	Bonds payable	6(18)	10,991,473	5	10,990,807	5	10,988,808	6
2540	Long-term borrowings	6(19) and 8	14,496,074	6	13,572,145	6	14,714,900	8
2570	Deferred income tax liabilities		1,453,005	1	932,618	1	370,945	-
2600	Other non-current liabilities	6(7)(8)(9)(20), 7 and 9	3,710,592	2	3,298,463	2	3,658,550	2
25XX	Total non-current liabilities		<u>73,453,880</u>	<u>33</u>	<u>71,112,510</u>	<u>33</u>	<u>62,598,487</u>	<u>34</u>
2XXX	Total liabilities		<u>121,625,941</u>	<u>55</u>	<u>126,005,073</u>	<u>58</u>	<u>110,619,977</u>	<u>60</u>
Equity attributable to owners of parent								
Share capital								
3110	Common stock	6(23)	15,237,992	7	14,783,653	7	14,752,603	8
Capital surplus								
3200	Capital surplus	6(24)	14,890,716	7	9,956,882	4	9,397,110	6
Retained earnings								
3310	Legal reserve	6(25)	6,861,800	3	6,861,800	3	5,537,329	3
3320	Special reserve		332,855	-	332,855	-	550,543	-
3350	Unappropriated retained earnings		58,660,898	26	54,437,070	25	36,475,364	20
Other equity interest								
3400	Other equity interest		(554,860)	-	(637,741)	-	293,728	-
Treasury stocks								
3500	Treasury stocks	6(23)	(150,765)	-	-	-	-	-
31XX	Equity attributable to owners of the parent		<u>95,278,636</u>	<u>43</u>	<u>85,734,519</u>	<u>39</u>	<u>67,006,677</u>	<u>37</u>
36XX	Non-controlling interest		<u>5,611,665</u>	<u>2</u>	<u>6,923,837</u>	<u>3</u>	<u>5,280,051</u>	<u>3</u>
3XXX	Total equity		<u>100,890,301</u>	<u>45</u>	<u>92,658,356</u>	<u>42</u>	<u>72,286,728</u>	<u>40</u>
Significant contingent liabilities and unrecognized contract commitments								
Significant events after the balance sheet date								
3X2X	Total liabilities and equity		<u>\$ 222,516,242</u>	<u>100</u>	<u>\$ 218,663,429</u>	<u>100</u>	<u>\$ 182,906,705</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)
(UNAUDITED)

	Items	Notes	Three months ended March 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(26) and 7	\$ 26,566,206	100	\$ 30,710,993	100
5000	Operating costs	6(5)(31)(32) and 7	(21,103,759)	(79)	(20,788,071)	(68)
5900	Net operating margin		<u>5,462,447</u>	<u>21</u>	<u>9,922,922</u>	<u>32</u>
	Operating expenses	6(31)(32) and 7				
6100	Selling expenses		(369,712)	(2)	(443,679)	(2)
6200	General and administrative expenses		(1,059,914)	(4)	(1,030,487)	(3)
6300	Research and development expenses		(1,133,625)	(4)	(1,289,840)	(4)
6000	Total operating expenses		(2,563,251)	(10)	(2,764,006)	(9)
	Net operating income		2,899,196	11	7,158,916	23
6500	Other (losses)/gains - net	6(27) and 7	<u>5,944</u>	-	<u>30,379</u>	-
6900	Operating profit		<u>2,905,140</u>	<u>11</u>	<u>7,189,295</u>	<u>23</u>
	Non-operating income and expenses					
7100	Interest income		320,974	1	87,768	-
7010	Other income	6(28) and 7	1,037,432	4	318,802	1
7020	Other gains and losses	6(29) and 7	1,134,948	4	(72,563)	-
7050	Finance costs	6(30) and 7	(180,474)	-	(78,793)	-
7060	Share of profit/(loss) of associates and joint ventures accounted for under equity method	6(7)	(41,656)	-	46,536	-
7000	Total non-operating income and expenses		<u>2,271,224</u>	<u>9</u>	<u>301,750</u>	<u>1</u>
7900	Profit before income tax		5,176,364	20	7,491,045	24
7950	Income tax expense	6(33)	(983,918)	(4)	(1,604,589)	(5)
8200	Profit for the year		<u>\$ 4,192,446</u>	<u>16</u>	<u>\$ 5,886,456</u>	<u>19</u>

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UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)
(UNAUDITED)

Items	Notes	Three months ended March 31			
		2023		2022	
		AMOUNT	%	AMOUNT	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	\$ 80,847	-	\$ 12,458	-
8310	Other comprehensive income that will not be reclassified to profit or loss	80,847	-	12,458	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361	Financial statements translation differences of foreign operations	180,344	1	632,965	2
8370	Share of other comprehensive (loss) income of associates and joint ventures accounted for under equity method	(665)	-	4,597	-
8360	Other comprehensive income that will be reclassified to profit or loss	179,679	1	637,562	2
8300	Total other comprehensive income for the period	\$ 260,526	1	\$ 650,020	2
8500	Total comprehensive income for the period	\$ 4,452,972	17	\$ 6,536,476	21
Profit attributable to:					
8610	Owners of the parent	\$ 4,095,140	16	\$ 5,666,681	18
8620	Non-controlling interest	97,306	-	219,775	1
		\$ 4,192,446	16	\$ 5,886,456	19
Comprehensive income attributable to:					
8710	Owners of the parent	\$ 4,281,644	16	\$ 6,293,264	20
8720	Non-controlling interest	171,328	1	243,212	1
		\$ 4,452,972	17	\$ 6,536,476	21
Earnings per share (in dollars)					
9750	Basic earnings per share	6(34)	\$ 2.70	\$ 3.85	
9850	Diluted earnings per share	6(34)	\$ 2.68	\$ 3.83	

The accompanying notes are an integral part of these consolidated financial statements.

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

Equity attributable to owners of the parent													
	Retained Earnings					Other Equity Interest							
		Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Other equity, others	Treasury stocks	Total	Non-controlling interest	Total equity	
Notes	Share capital - common stock												
Three months ended March 31, 2022													
	Balance at January 1, 2022	\$ 14,752,603	\$ 9,396,676	\$ 5,537,329	\$ 550,543	\$ 30,809,266	(\$ 304,802)	(\$ 28,053)	\$ -	\$ -	\$ 60,713,562	\$ 4,802,614	\$ 65,516,176
	Profit for the period	-	-	-	-	5,666,681	-	-	-	-	5,666,681	219,775	5,886,456
	Other comprehensive income for the period	-	-	-	-	-	614,125	12,458	-	-	626,583	23,437	650,020
	Total comprehensive income	-	-	-	-	5,666,681	614,125	12,458	-	-	6,293,264	243,212	6,536,476
	Changes in ownership interests in subsidiaries	-	521	-	-	-	-	-	-	-	521	-	521
	Changes in equity of associates and joint ventures accounted for using equity method	-	(208)	-	(583)	-	-	-	-	(791)	-	(791)	
	Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	234,225	234,225	
	Capital surplus - dividends not received by shareholders	-	121	-	-	-	-	-	-	121	-	121	
	Balance at March 31, 2022	\$ 14,752,603	\$ 9,397,110	\$ 5,537,329	\$ 550,543	\$ 36,475,364	\$ 309,323	(\$ 15,595)	\$ -	\$ -	\$ 67,006,677	\$ 5,280,051	\$ 72,286,728
Three months ended March 31, 2023													
	Balance at January 1, 2023	\$ 14,783,653	\$ 9,956,882	\$ 6,861,800	\$ 332,855	\$ 54,437,070	(\$ 529,579)	\$ 65,841	(\$ 174,003)	\$ -	\$ 85,734,519	\$ 6,923,837	\$ 92,658,356
	Profit for the period	-	-	-	-	4,095,140	-	-	-	-	4,095,140	97,306	4,192,446
	Other comprehensive income for the period	-	-	-	-	-	105,657	80,847	-	-	186,504	74,022	260,526
	Total comprehensive income	-	-	-	-	4,095,140	105,657	80,847	-	-	4,281,644	171,328	4,452,972
	Changes in ownership interests in subsidiaries	-	(1,285)	-	-	-	-	-	-	(1,285)	-	(1,285)	
	Changes in equity of associates and joint ventures accounted for using equity method	-	(17,786)	-	-	82,914	-	(82,914)	4,775	-	(13,011)	-	(13,011)
	Effect of reclassification of companies accounted for using equity method which was originally recognised in comprehensive income due to the merger	-	-	-	-	45,774	-	(45,774)	-	-	-	-	-
	Capital increase due to the merger	6(23)(24) 454,379	4,952,727	-	-	-	-	-	-	-	5,407,106	-	5,407,106
	Retirement of employee restricted shares	6(22)(23)(24) (40)	40	-	-	-	-	-	-	-	-	-	-
	Compensation costs of employee restricted stock	6(22) -	-	-	-	-	-	-	20,290	-	20,290	-	20,290
	Shares of the parent company held by subsidiaries treated as treasury shares	6(23) -	-	-	-	-	-	-	-	(150,765)	(150,765)	-	(150,765)
	Effect of business combinations in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,406,484)	(1,406,484)
	Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(77,016)	(77,016)	
	Reversal of capital surplus - dividends not received by shareholders	6(24) -	138	-	-	-	-	-	-	-	138	-	138
	Balance at March 31, 2023	\$ 15,237,992	\$ 14,890,716	\$ 6,861,800	\$ 332,855	\$ 58,660,898	(\$ 423,922)	\$ 18,000	(\$ 148,938)	(\$ 150,765)	\$ 95,278,636	\$ 5,611,665	\$ 100,890,301

The accompanying notes are an integral part of these consolidated financial statements.

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Three months ended March 31	
		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 5,176,364	\$ 7,491,045
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation (including investment property and right-of-use asset)	6(8)(9)(11)(27)(31)	3,459,454	2,604,473
Amortisation	6(12)(31)	112,478	68,010
Expected impairment loss (including related parties)	12(2)	31,937	1,305
Net (gain) loss on financial assets and liabilities at fair value through profit or loss	6(2)(29)	(593,148)	1,023,596
Interest expense	6(30)	175,077	73,030
Interest income		(320,974)	(87,768)
Dividend income	6(28)	(42,000)	(145,957)
Share-based payments	6(22)	24,556	778
Share of loss (profit) of associates accounted for under equity method	6(7)	41,656	(46,536)
Loss on disposal and scrap of property, plant and equipment	6(29)	56,076	7,725
Exchange gain on valuation of long-term foreign borrowings	6(37)	(59,019)	(10,635)
Deferred credits - realised transfer income		(4,466)	(4,434)
Gain on disposal of investment	6(29)(35)	(885,407)	-
Gain from lease modification	6(9)(29)	(307)	-
Gain from insurance proceeds	6(8)(28)	(794,837)	-
Amortization of discount on bonds payable	6(30)(37)	666	635
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(25,901)	13,651
Accounts receivable		8,317,681	(551,167)
Accounts receivable due from related parties		8,856	(734)
Other receivables		1,644,935	628,357
Inventories		2,989,294	(470,994)
Prepayments		521,030	234,142
Other non-current assets		(44,559)	(308)
Changes in operating liabilities			
Notes payable		(104)	(80,223)
Accounts payable		(3,246,700)	(1,397,201)
Accounts payable to related parties		(72,992)	(2,850)
Other payables		(2,345,857)	510,409
Other current liabilities		10,143	(172,608)
Accrued pension liabilities		(2,427)	(4,963)
Contract liabilities		561,589	5,027,678
Other non-current liabilities		917	10,673
Cash inflow generated from operations		14,694,011	14,719,129
Interest received		303,737	76,966
Dividends received		-	145,957
Interest paid		(160,469)	(72,082)
Income tax paid		(692,243)	(471,173)
Net cash flows from operating activities		14,145,036	14,398,797

(Continued)

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Three months ended March 31	
		2023	2022
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 6,412)	\$ -
Proceeds from disposal of financial assets at fair value through profit or loss		4,074	-
Paid by financial assets at fair value through profit or loss		-	(5,776)
Acquisition of financial assets at amortized cost		(265,518)	(102,943)
Acquisition of property, plant and equipment	6(36)	(5,699,220)	(7,391,983)
Proceeds from disposal of property, plant and equipment		47,916	133,983
Acquisition of intangible assets	6(12)	(95,935)	(166,342)
Increase in restricted assets		(30,626)	(10)
Decrease (increase) in refundable deposits		4,197	(11,628)
Increase in cash due to the merger	6(35)	1,387,157	-
Advance receipts for relocation	9	489,442	-
Net cash flows used in investing activities		(4,164,925)	(7,544,699)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(37)	(3,002,003)	(3,352,101)
Decrease in short-term notes and bills payable	6(37)	-	(49,925)
Proceeds from issuance of bonds	6(18)(37)	-	3,000,000
Issuance cost of bonds payable	6(37)	-	(3,750)
Proceeds from long-term borrowings	6(37)	183,236	1,148,495
Repayments of long-term borrowings	6(37)	(839,937)	(885,990)
(Decrease) increase in guarantee deposits received		(4,009)	4,032
Payments for lease liabilities	6(37)	(86,090)	(105,327)
Change in non-controlling interests		(77,016)	234,225
Capital surplus - dividends not received by shareholders	6(24)	138	121
Net cash flows used in financing activities		(3,825,681)	(10,220)
Effect of foreign exchange translations		117,775	74,987
Net increase in cash and cash equivalents		6,272,205	6,918,865
Cash and cash equivalents at beginning of period	6(1)	61,459,296	39,401,609
Cash and cash equivalents at end of period	6(1)	\$ 67,731,501	\$ 46,320,474

The accompanying notes are an integral part of these consolidated financial statements.

UNIMICRON TECHNOLOGY CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

Unimicron Technology Corp. (the “Company”) was incorporated on January 25, 1990. The Company and its subsidiaries (the “Group”) are primarily engaged in the manufacturing, processing, and sales of printed circuit boards, electrical equipment, electronic products, and testing and burn-in systems for integrated circuit products. The stock of the Company commenced trading on the Taipei Exchange in December 1998 and was approved for listing on the Taiwan Stock Exchange in August 2002. As of March 31, 2023, the Group had 29,235 employees.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on April 25, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2022, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

- A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Accounting Standard 34, ‘Interim financial reporting’ that came into effect as endorsed by the FSC.
- B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2022.

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets and liabilities at fair value through other comprehensive income Available-for-sale financial assets measured at fair value.
 - (c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of

applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for preparation of these financial statements was consistent with the basis for the preparation of the financial statements for the year ended December 31, 2022.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
The Company	Hemingway Int'l Limited (Hemingway)	Holding company	100.00	100.00	100.00	
The Company	UMTC Holdings Limited (UMTC)	Holding company	100.00	100.00	100.00	
The Company	Hsin Yang Investment Corp. (Hsin Yang Investment)	Holding company	100.00	100.00	100.00	
The Company	UniBest Holding Limited (UniBest)	Holding company	100.00	100.00	100.00	
The Company	NEOCONIX, INC. (NEOCONIX)	Design and manufacture of connectors	92.00	92.00	92.00	
The Company	UniWonderful Holding Limited (UniWonderful)	Holding company	100.00	100.00	-	Note 6
The Company	Unidisplay Holding Corp. (UniDH)	Holding company	-	-	100.00	Note 7
The Company	Subtron Technology Co., Ltd. (Subtron Technology)	Manufacture and sales of electronic parts	100.00	-	-	Note 8
The Company, UniBest and UniWonderful	UNIMICRON (THAILAND) CO., LTD. (UniTH)	Manufacture and sales of electronic parts	100.00	-	-	Note 10
The Company and Hsin Yang Investment	Qun Hong Technology Inc. (Qun Hong Technology)	Manufacture and sales of electronic parts	94.95	94.95	94.95	
The Company and Hsin Yang Investment	UniFresh, Inc. (UniFresh)	Food and restaurants	100.00	100.00	100.00	
The Company, Hsin Yang Investment and Subtron Technology	Asia Pacific Microsystems, Inc. (Asia Pacific)	Manufacture and sales of electronic parts	68.71	66.94	66.94	Note 8

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
The Company, Hsin Yang Investment, Asia Pacific and Subtron Technology	Apm Communication, Inc. (Apm Communication)	Manufacture and sales of electronic parts	85.90	72.11	72.11	Note 8
The Company and Apm Communication	PAVIDA Trading Limited (PAVIDA)	Holding company and trading	88.34	76.93	76.93	Note 8
UniFresh, Inc. (UniFresh)	UniCuisine, Inc. (UniCuisine)	Manufacture and sales of food	68.26	68.26	69.97	
Subtron Technology	Subtron Holding Limited(SHL)	Holding company	100.00	-	-	Note 8
Hemingway and UMTC	Plato Electronics (Cayman) Limited (Plato-Cayman)	Holding company	83.53	83.53	83.53	
Hemingway and UMTC	Smart Idea Holdings Limited (SI)	Holding company	71.23	71.23	71.23	
Hemingway, UMTC and UniBest	Best Option Investments Limited (BO)	Holding company	100.00	100.00	100.00	
Hemingway, UMTC and UniBest	UniSmart Holding Limited (UniSmart)	Holding company	100.00	100.00	100.00	
Hemingway, UMTC, UniBest and Subtron Technology	Unimicron Holding Limited (UHL)	Holding company	89.26	81.31	78.86	Note 8
UMTC	Unimicron JAPAN Co., Ltd. (U JAPAN)	Manufacture and sales of electronic parts	100.00	100.00	100.00	
Plato-Cayman	Unimicron Technology (ShenZhen) Corp. (Unimicron Technology (ShenZhen))	Manufacture and sales of electronic parts	83.53	83.53	83.53	
Plato-Cayman	Unimicron (SZ) Trading Ltd. (USZT)	Trading	83.53	83.53	83.53	
SI	Unimicron Technology (KunShan) Corp. (Unimicron Technology (KunShan))	Manufacture and sales of electronic parts	71.23	71.23	71.23	
SI	Kunshan Dingchangxin Electronic Technology Co., Ltd. (Kunshan Dingchangxin)	Manufacture and sales of electronic parts	71.23	71.23	71.23	
SI	UniRuwel Holding Limited (UniRuwel)	Holding company	71.23	71.23	71.23	
SI	Unimicron (KS) Trading Ltd. (UKST)	Trading	71.23	71.23	71.23	
SI	UniGreat Holding Limited (UniGreat)	Holding Company	71.23	71.23	71.23	
UniRuwel	Unimicron Germany GmbH (U Germany)	Manufacture and sales of electronic parts	71.23	71.23	71.23	

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Description
			March 31, 2023	December 31, 2022	March 31, 2022	
BO	Unimicron-FPC Technology (Kunshan) Inc.(Unimicron-FPC Technology (Kunshan))	Manufacture and sales of electronic parts	100.00	100.00	100.00	
UHL	Suzhou Qunye Enterprise Management Co., Ltd. (Suzhou Qunye)	Business management consulting	89.26	81.31	78.86	Note 2 and 8
UHL and Suzhou Qunye	Unimicron Technology (SuZhou) Corp. (Unimicron Technology (SuZhou))	Manufacture and sales of electronic parts	86.19	78.46	78.86	Note 8
Unimicron Technology (KunShan)	Unimicron Management (KunShan) Corp., Ltd. (Unimicron Management (KunShan))	Business management consulting and property management	71.23	71.23	71.23	
Unimicron Management (KunShan) and UniGreat	Unimicron Technology (Huangshi) Corp. (Unimicron Technology (Huangshi))	Manufacture and sales of electronic parts	71.23	71.23	71.23	
UniDH and Hsin Yang Investment	Unidisplay Trading Corp. (UniDT)	Trading	-	-	98.16	Note 5
UniDT	Unimicron Touch (ShenZhen) Corp. (Unimicron Touch)	Manufacture and sales of electronic parts	-	-	-	Note 1
Unimicron Management (KunShan)	Hu Se Sn Li Managemnet Corp., Ltd. (Hu Se Sn Li)	Business management consulting	71.23	71.23	71.23	
Kunshan Dingchangxin	UNIMICRON ELECTRONIC TESTING (KUNSHAN) CORP. (UNIMICRON ELECTRONIC TESTING (KUNSHAN))	Inspection of goods, sales of electronic component and equipment and property	71.23	71.23	-	Note 4
UHL and Unimicron Technology (SuZhou)	Unimicron-Carrier Technology (Huangshi) Inc. (Unimicron-Carrier Technology (Huangshi))	Manufacture and sales of electronic parts	87.39	79.57	78.86	Note 8
UHL	Kunshan Qunqi Technology Co., Ltd. (Kunshan Qunqi)	Manufacture and sales of electronic parts	89.26	81.31	-	Note 3 and 8
SHL and PAVIDA	Gobo Lighting Technology Ltd.(Gobo Lighting Technology)	Manufacture and sales of lighting products	59.64	-	-	Note 8
Gobo Lighting Technology	Gobo Business Management Ltd.(Gobo Business Management)	Business management consulting	59.64	-	-	Note 8

On December 31, 2022, except for U Germany whose financial statements were audited by other auditors appointed by the subsidiary, the financial statements of other consolidated subsidiaries were audited by auditors appointed by the Company.

On March 31, 2023 and 2022, the financial statements of other consolidated subsidiaries were audited by auditors appointed by the Company.

Note 1: Unimicron Touch completed the liquidation process in January 2022.

Note 2: Suzhou Qunye was established in February 2022.

Note 3: Kunshan Qunqi was established in June 2022.

Note 4: UNIMICRON ELECTRONIC TESTING (KUNSHAN) was established in July 2022.

Note 5: UniDT completed the liquidation process in September 2022.

Note 6: UniWonderful was established in December 2022.

Note 7: UniDH completed the liquidation process in November 2022.

Note 8: In January 2023, the Group issued new shares to acquire the remaining 68.05% equity interest in Subtron Technology. Accordingly, the Group's shareholding ratio in Subtron Technology increased to 100%. Subtron Technology and its subsidiaries became the consolidated entity of the Group after the share swap. In addition, the investees, UHL, Asia Pacific and Apm Communication, which were invested by the Group, and their investees, PAVIDA, Unimicron Technology (SuZhou), Suzhou Qunye, Kunshan Qunqi and Unimicron-Carrier Technology (Huangshi), also adjusted their shareholding ratio according to the comprehensive shareholding ratio. SHL, Gobo Lighting Technology Ltd. and Gobo Business Management also became the consolidated entity of the Group.

Note 9: On February 21, 2023, the Company's Board of Directors resolved a simple merger with Qun Hong Technology. The expected effective date for the merger is on July 1, 2023. Qun Hong Technology is the dissolved company.

Note 10: UniTH was established in March 2023.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of March 31, 2023, December 31, 2022 and March 31, 2022, the non-controlling interest amounted to \$5,611,665, \$6,923,837 and \$5,280,051, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

		Non-controlling interest				
		March 31, 2023		December 31, 2022		
Name of subsidiary	Principal place of business	Amount	Ownership (%)	Amount	Ownership (%)	Description
SI	Cayman	\$ 2,604,796	28.77	\$ 2,582,205	28.77	
UHL	Samoa	2,038,603	10.74	3,246,400	18.69	
		<u>\$ 4,643,399</u>		<u>\$ 5,828,605</u>		
		Non-controlling interest				
		March 31, 2022				
Name of subsidiary	Principal place of business			Amount	Ownership (%)	Description
SI	Cayman			\$ 2,588,753	28.77	
UHL	Samoa			2,162,166	21.14	
				<u>\$ 4,750,919</u>		

Summarized financial information of the subsidiaries:

Balance sheets

	SI		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	\$ 13,255,068	\$ 14,179,230	\$ 10,413,730
Non-current assets	11,368,183	11,484,072	10,951,214
Current liabilities	(11,589,543)	(13,029,514)	(9,579,543)
Non-current liabilities	(3,979,847)	(3,658,449)	(2,787,302)
Total net assets	<u>\$ 9,053,861</u>	<u>\$ 8,975,339</u>	<u>\$ 8,998,099</u>
	UHL		
	March 31, 2023	December 31, 2022	March 31, 2022
Current assets	\$ 21,787,643	\$ 21,755,630	\$ 13,863,986
Non-current assets	19,887,000	18,028,861	13,211,507
Current liabilities	(5,401,913)	(5,189,512)	(5,774,457)
Non-current liabilities	(17,291,320)	(17,225,262)	(11,073,192)
Total net assets	<u>\$ 18,981,410</u>	<u>\$ 17,369,717</u>	<u>\$ 10,227,844</u>

Statements of comprehensive income

	SI	
	Three months ended March 31	
	2023	2022
Operating revenue	\$ 4,238,921	\$ 4,996,075
Income before income tax	20,024	131,466
Income tax expense	(54,260)	(12,926)
(Loss) profit for the period	(34,236)	118,540
Other comprehensive income, net of tax	159,525	22,504
Total comprehensive income for the period	<u>\$ 125,289</u>	<u>\$ 141,044</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 36,049</u>	<u>\$ 40,578</u>

	UHL	
	Three months ended March 31	
	2023	2022
Operating revenue	\$ 3,644,871	\$ 3,424,772
Profit before income tax	1,404,953	1,254,036
Income tax expense	(293,296)	(13,877)
Profit for the period	1,111,657	1,240,159
Other comprehensive income, net of tax	227,121	34,008
Total comprehensive income for the period	<u>\$ 1,338,778</u>	<u>\$ 1,274,167</u>
Comprehensive income attributable to non-controlling interest	<u>\$ 143,785</u>	<u>\$ 269,359</u>

Statements of cash flows

	SI	
	Three months ended March 31	
	2023	2022
Net cash provided by operating activities	\$ 418,029	\$ 351,107
Net cash used in investing activities	(246,260)	(663,363)
Net cash (used in) provided by financing activities	(115,505)	214,599
Effect of exchange rates on cash and cash equivalents	(60,286)	85,064
Decrease in cash and cash equivalents	(4,022)	(12,593)
Cash and cash equivalents, beginning of period	7,130,696	2,541,886
Cash and cash equivalents, end of period	<u>\$ 7,126,674</u>	<u>\$ 2,529,293</u>

	UHL	
	Three months ended March 31	
	2023	2022
Net cash provided by operating activities	\$ 3,080,775	\$ 2,407,644
Net cash used in investing activities	(2,053,718)	(1,284,741)
Net cash provided by financing activities	(151,900)	(629,775)
Effect of exchange rates on cash and cash equivalents	(137,206)	321,538
Increase in cash and cash equivalents	737,951	814,666
Cash and cash equivalents, beginning of period	16,404,883	9,041,719
Cash and cash equivalents, end of period	<u>\$ 17,142,834</u>	<u>\$ 9,856,385</u>

(4) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(5) Intangible assets

Core technology

Core technology acquired in a business combination is recognised at fair value at the acquisition date. Core technology has a finite useful life and is amortised on a straight-line basis over the estimated useful life of 6 years.

(6) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expense when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

The subsidiary in Mainland China has a defined contribution pension plan, under which the subsidiary makes monthly contributions to the employees' pension funds in accordance with local regulations and recognize such contributions as expenses in the current period.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is

calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

- ii. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.
- iii. Past service costs are recognized immediately in profit or loss.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(7) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.
- D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet

date, unrecognized and recognized deferred tax assets are reassessed.

- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.
- F. The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

(8) Treasury stocks

The Company's equity instruments were obtained as a result of a business combination. The instruments ("treasury stocks") should be deducted from the Company's equity.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

Investment property

The Group uses a portion of the property for its own use and another portion to earn rentals or for capital appreciation. When these portions cannot be sold separately and cannot be leased out separately under a finance lease, the property is classified as investment property only if the own-use portion accounts for less than 50% of the property.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories.

As inventories are stated at the lower of cost and net realizable value, the Group must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realizable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of March 31, 2023, the carrying amount of inventories was \$10,233,563.

B. Impairment assessment of investments accounted for using equity method

The Group assesses the impairment of an investment accounted for using equity method as soon as there is any indication that it might have been impaired and its carrying amount cannot be recovered. The Group assesses the recoverable amount of an investment accounted for under the equity method based on the present value of the Group's share of expected future cash flows of the investee, and analyses the reasonableness of related assumptions.

As of March 31, 2023, the Group's investments accounted for using the equity method amounted to \$ 970,542.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Cash on hand	\$ 3,441	\$ 4,051	\$ 2,861
Checking accounts and demand deposits	17,946,876	22,172,597	16,824,316
Time deposits	49,446,059	38,227,778	21,794,893
Commercial paper	3,890,607	4,299,629	9,417,905
	<u>71,286,983</u>	<u>64,704,055</u>	<u>48,039,975</u>
Transferred to other current assets	(36,762)	(17,864)	(17,849)
Transferred to non-current financial assets at amortized cost	(<u>3,518,720</u>)	(<u>3,226,895</u>)	(<u>1,701,652</u>)
	<u>\$ 67,731,501</u>	<u>\$ 61,459,296</u>	<u>\$ 46,320,474</u>

- A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
- B. Interest rates on term deposits ranged from 0.10% to 6.55%, 0.10% to 5.04% and 0.07% to 4.02% as of March 31, 2023, December 31, 2022 and March 31, 2022, respectively. Certain time deposits which have been pledged as collateral were classified as long-term time deposits due to capital planning and reclassified as "other current assets" or "non-current financial assets at amortised cost".
- C. Interest rates on commercial paper ranged from 0.92% to 0.97%, 0.88% to 0.92% and 0.26% to 0.42% as of March 31, 2023, December 31, 2022 and March 31, 2022, respectively.
- D. Details of the Group's cash and cash equivalents pledged to others as collateral are provided in Note 8.

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

Items	March 31, 2023	December 31, 2022	March 31, 2022
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 9,780	\$ 9,780	\$ 9,901
Valuation adjustment	<u>15,302</u>	<u>8,729</u>	<u>29,731</u>
	<u>\$ 25,082</u>	<u>\$ 18,509</u>	<u>\$ 39,632</u>

Items	March 31, 2023	December 31, 2022	March 31, 2022
Non-current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	\$ 45,499	\$ 45,499	\$ 45,499
Unlisted stocks	3,689,835	3,696,121	3,680,739
Foreign closed-end funds	89,648	89,648	89,648
Corporate bonds	<u>121,384</u>	<u>87,728</u>	<u>87,728</u>
	3,946,366	3,918,996	3,903,614
Valuation adjustment	<u>2,661,253</u>	<u>2,070,157</u>	<u>3,343,488</u>
	<u>\$ 6,607,619</u>	<u>\$ 5,989,153</u>	<u>\$ 7,247,102</u>

A. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Three months ended March 31	
	2023	2022
Listed stocks	\$ 4,759	\$ 809
Unlisted stocks	631,278	(836,875)
Foreign closed-end funds	(243)	(8,571)
Corporate bonds	(6,258)	-
Derivatives	<u>(36,388)</u>	<u>(178,959)</u>
	<u>\$ 593,148</u>	<u>(\$ 1,023,596)</u>

B. The Group entered into contracts relating to derivative financial assets which were not accounted for under hedge accounting. The information is listed below:

March 31, 2023

<u>Derivative instruments</u>	<u>Contract amount (notional principal)</u>	<u>Contract period</u>
Current items:		
Cross currency swap		
- Buy TWD sell EUR	EUR 6,200,000	2023.03.14~2023.05.17
- Buy TWD sell EUR	EUR 6,460,000	2023.01.30~2023.04.28
- Buy TWD sell EUR	EUR 24,800,000	2023.02.22~2023.05.17
Forward foreign exchange contracts		
- Buy RMB sell USD	USD 5,000,000	2023.02.06~2023.04.06
- Buy RMB sell USD	USD 5,000,000	2023.02.06~2023.05.05
- Buy USD sell EUR	EUR 21,000,000	2023.03.07~2023.06.07

December 31, 2022

<u>Derivative instruments</u>	<u>Contract amount (notional principal)</u>	<u>Contract period</u>
Current items:		
Forward foreign exchange contracts		
- Buy TWD sell EUR	EUR 3,200,000	2022.10.31~2023.01.31
- Buy TWD sell EUR	EUR 23,800,000	2022.10.26~2023.01.30
- Buy TWD sell EUR	EUR 6,460,000	2022.10.27~2023.01.30
- Buy TWD sell EUR	EUR 24,800,000	2022.11.22~2023.02.22
- Buy TWD sell USD	USD 20,000,000	2022.11.10~2023.02.10
Forward foreign exchange contracts		
- Buy RMB sell USD	USD 5,000,000	2022.12.20~2023.01.19
- Buy RMB sell USD	USD 5,000,000	2022.12.20~2023.02.22

March 31, 2022		
<u>Derivative instruments</u>	<u>Contract amount (notional principal)</u>	<u>Contract period</u>
Current items:		
Forward foreign exchange contracts		
- Buy JPY sell CNY	JPY 230,000,000	2021.12.27~2022.04.21
- Buy JPY sell CNY	JPY 88,862,600	2021.12.28~2022.04.07
- Buy JPY sell CNY	JPY 88,862,600	2021.12.28~2022.04.20
- Buy JPY sell CNY	USD 92,274,800	2022.01.24~2022.05.09
- Buy USD sell CNY	USD 5,000,000	2022.01.27~2022.04.27
Cross currency swap		
- Buy TWD sell EUR	EUR 10,800,000	2022.01.06~2022.04.06
- Buy TWD sell EUR	EUR 3,150,000	2022.02.09~2022.05.04
- Buy TWD sell EUR	EUR 4,500,000	2022.03.08~2022.06.07
- Buy TWD sell EUR	EUR 30,000,000	2022.02.09~2022.05.09
- Buy TWD sell EUR	EUR 1,700,000	2022.03.22~2022.06.22
- Buy TWD sell EUR	EUR 4,600,000	2022.01.25~2022.04.25
- Buy TWD sell USD	USD 20,000,000	2022.02.10~2022.05.10
- Buy TWD sell USD	USD 23,000,000	2022.01.18~2022.04.18
- Buy TWD sell USD	USD 30,000,000	2022.03.15~2022.06.15
- Buy TWD sell USD	USD 10,000,000	2022.03.07~2022.05.31
- Buy TWD sell USD	USD 6,000,000	2022.02.10~2022.05.10
- Buy TWD sell USD	USD 20,000,000	2022.02.14~2022.05.16
- Buy TWD sell USD	USD 10,000,000	2022.03.14~2022.05.31
- Buy TWD sell USD	USD 15,000,000	2022.03.15~2022.06.15

C. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Notes and accounts receivable

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Notes receivable	\$ 33,417	\$ 7,431	\$ 27,665
Less: Allowance for uncollectible accounts	(1)	(2)	(14)
	<u>\$ 33,416</u>	<u>\$ 7,429</u>	<u>\$ 27,651</u>
Accounts receivable	\$ 21,168,745	\$ 28,940,657	\$ 24,231,558
Less: Allowance for uncollectible accounts	(276,748)	(221,149)	(116,574)
	<u>\$ 20,891,997</u>	<u>\$ 28,719,508</u>	<u>\$ 24,114,984</u>

A. The ageing analysis of notes receivable and accounts receivable that were past due but not impaired is as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Not past due	\$ 20,751,094	\$ 28,853,019	\$ 24,172,910
1-30 days past due	412,526	58,620	68,106
31-60 days past due	8,462	8,768	5,172
61-90 days past due	4,165	10,022	1,206
Over 90 days past due	25,915	17,659	11,829
	<u>\$ 21,202,162</u>	<u>\$ 28,948,088</u>	<u>\$ 24,259,223</u>

The above ageing analysis was based on past due date.

- B. As of March 31, 2023, December 31, 2022 and March 31, 2022, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2022, the balance of receivables from contracts with customers amounted to \$23,721,707.
- C. As at March 31, 2023, December 31, 2022 and March 31, 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable were \$33,416, \$7,429 and \$27,651, and accounts receivable were \$20,891,997, \$28,719,508 and \$24,114,984, respectively.
- D. Information on guaranteed accounts receivable is provided in Note 8.
- E. Information relating to credit risk of notes receivable and accounts receivable is provided in Note 12(2).

(4) Other receivables

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Fire insurance claims receivable (Note)	\$ -	\$ 705,163	\$ 749,868
Income tax refund receivable	741,169	375,469	-
Interest receivable	283,058	246,721	128,305
Finance lease receivable	3,615	3,529	3,190
Others	361,969	437,156	577,491
	<u>\$ 1,389,811</u>	<u>\$ 1,768,038</u>	<u>\$ 1,458,854</u>

Note: Refer to Note 6(8) for the details of fire insurance claims receivable.

(5) Inventories

	March 31, 2023		
	Cost	Allowance for valuation losses	Book value
Raw materials	\$ 2,834,320	(\$ 424,922)	\$ 2,409,398
Work in progress	4,887,221	(1,428,969)	3,458,252
Finished goods	6,310,518	(1,944,605)	4,365,913
	<u>\$ 14,032,059</u>	<u>(\$ 3,798,496)</u>	<u>\$ 10,233,563</u>
	December 31, 2022		
	Cost	Allowance for valuation losses	Book value
Raw materials	\$ 2,870,219	(\$ 321,347)	\$ 2,548,872
Work in progress	6,557,310	(1,482,466)	5,074,844
Finished goods	6,426,852	(1,215,949)	5,210,903
	<u>\$ 15,854,381</u>	<u>(\$ 3,019,762)</u>	<u>\$ 12,834,619</u>
	March 31, 2022		
	Cost	Allowance for valuation losses	Book value
Raw materials	\$ 3,383,734	(\$ 342,722)	\$ 3,041,012
Work in progress	5,841,586	(726,539)	5,115,047
Finished goods	5,129,629	(663,091)	4,466,538
	<u>\$ 14,354,949</u>	<u>(\$ 1,732,352)</u>	<u>\$ 12,622,597</u>

The cost of inventories recognized as expense for the period:

	Three months ended March 31	
	2023	2022
Cost of goods sold	\$ 18,876,357	\$ 20,048,366
Loss on market value decline and obsolete and slow-moving inventories	741,183	205,062
Others (Note)	1,486,219	534,643
	<u>\$ 21,103,759</u>	<u>\$ 20,788,071</u>

Note: Primarily includes cost differences resulting from low capacity utilization and revenue from sale of scrap or waste materials.

(6) Prepayments

	March 31, 2023	December 31, 2022	March 31, 2022
Excess business tax paid	\$ 697,681	\$ 795,015	\$ 824,251
Prepaid insurance premiums	510,926	737,707	399,874
Prepayments for material purchase	331,465	300,201	164,133
Others	725,338	910,100	863,944
	<u>\$ 2,265,410</u>	<u>\$ 2,743,023</u>	<u>\$ 2,252,202</u>

(7) Investments accounted for using equity method

Investees	March 31, 2023	December 31, 2022	March 31, 2022
Subtron Technology Co., Ltd. (Subtron Technology)	\$ -	\$ 1,615,813	\$ 1,628,122
Uniflex Technology Inc. (Uniflex Technology)	240,699	266,873	332,520
Advance Materials Corp. (Advance Materials)	358,092	278,331	307,654
Unipoint Technology Co., Ltd. (Unipoint Technology)	270,706	273,434	264,056
Others	101,045	99,090	111,857
	<u>\$ 970,542</u>	<u>\$ 2,533,541</u>	<u>\$ 2,644,209</u>
Credit balance of investments accounted for using equity method transferred to other non-current liabilities	<u>\$ 114,522</u>	<u>\$ 114,820</u>	<u>\$ 132,971</u>

A. For the three months ended March 31, 2023 and 2022, the share of (loss) profit of associates and joint ventures accounted for using equity method recognized was (\$41,656) and \$46,536, respectively. The financial statements of these entities were audited by auditors appointed by the Company, except for the financial statements of Subtron Technology for the three months ended March 31, 2022.

B. Subtron Technology has been a consolidated entity of the Group since January 2023. Refer to Note 4(3).

C. The basic information of the associate that is material to the Group is as follows:

Company name	Principal place of business	Shareholding ratio		Nature of relationship	Method of measurement
		December 31, 2022	March 31, 2022		
Subtron Technology	Taiwan	31.95%	32.04%	Investment accounted for using equity method	Equity method

D. The summarized financial information of the associate that is material to the Group is as follows:

Balance sheet

	Subtron Technology	
	December 31, 2022	March 31, 2022
Current assets	\$ 2,281,039	\$ 3,392,755
Non-current assets	5,738,902	4,908,862
Current liabilities	(1,322,831)	(1,429,060)
Non-current liabilities	(1,923,938)	(2,079,496)
Total net assets	<u>\$ 4,773,172</u>	<u>\$ 4,793,061</u>
Share in associate's net assets	\$ 1,525,028	\$ 1,535,697
Difference in net value of equity	90,785	92,425
Carrying amount of the associate	<u>\$ 1,615,813</u>	<u>\$ 1,628,122</u>

Statement of comprehensive income

	Subtron Technology	
	Three months ended March 31 2022	
Operating revenue	\$ 1,090,106	
Profit for the period from continuing operations	141,837	
Other comprehensive income, net of tax	87,834	
Total comprehensive income	<u>\$ 229,671</u>	

E. The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarized below:

As of March 31, 2023, December 31, 2022 and March 31, 2022, the carrying amount of the Group's individually immaterial associates amounted to \$856,020, \$802,908 and \$883,116, respectively.

	Three months ended March 31	
	2023	2022
Loss for the period from continuing operations	(\$ 141,524)	(\$ 3,402)
Other comprehensive income, net of tax	15,718	35,151
Total comprehensive (loss) income	<u>(\$ 125,806)</u>	<u>\$ 31,749</u>

- F. The Group is one of the single shareholder of Advance Materials, Yih Dar Technologies Co., Ltd., UniSense Technology Co., Ltd. and MARUWA CORPORATION with a 31.32%, 26.67%, 39.63% and 45.89% equity interest, respectively. Given that 10 other large shareholders hold more shares than the Group, which indicates that the Group has no current ability to direct the relevant activities of the investees, the Group has no control, but only has significant influence, over the investees.
- G. The Group is the single largest shareholder of Uniflex Technology with a 26.19% equity interest. Given that the voting rights obtained by the Group did not account for more than half of the total voting rights for attendance in the shareholders' meetings in the past years, which indicates that the Group has no current ability to direct the relevant activities of Uniflex Technology, the Group has no control, but only has significant influence, over the investee.
- H. On February 22, 2022, the Board of Directors of the Company merged with Subtron Technology, comprehensively taking into consideration the demand of customers and suppliers, complex tax works and costs, shareholders' right of objection and retained talents. Under the contract, the method of merger may change. On March 30, 2022, the Board of Directors approved to terminate the original contract and change to shares swap. Under the signed shares swap contract, one common share of Subtron Technology can be exchanged for 0.219 common shares of the Company. The effective date originally was set on October 1, 2022, however, the application process with the authority was delayed. Thus, in accordance with the shares swap contract, both parties agreed to change the effective date to January 1, 2023. Subsequently, in order to cooperate with the Taipei Exchange to terminate the trading of the shares of Subtron Technology in the Over-the-counter market, suspend transfer and book-entry for securities issued in dematerialised form, and change once again the effective date to January 6, 2023 in accordance with the shares swap contract, both parties agreed to change the effective date to January 6, 2023. The transaction was approved by the Board of Directors on September 23, 2022 and November 22, 2022, respectively. Subtron Technology will become the wholly-owned subsidiary of the Company after the shares swap. Refer to Note 6 (35) for details of related subsequent share swap transaction.

(8) Property, plant and equipment

2023

	2023										
	Land	Land-revaluation increment	Buildings and structures			Machinery and equipment			Transportation equipment and other equipment	Unfinished construction and equipment under acceptance	Total
			Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal			
At January 1											
Cost	\$ 6,438,069	\$ 10,162	\$ 58,029,704	\$ 259,254	\$ 58,288,958	\$ 80,708,496	\$ 2,234	\$ 80,710,730	\$ 2,965,313	\$ 17,771,726	\$ 166,184,958
Accumulated depreciation	-	-	(30,087,087)	(111,611)	(30,198,698)	(39,509,536)	(2,234)	(39,511,770)	(1,966,519)	-	(71,676,987)
Accumulated impairment	-	-	(84,886)	-	(84,886)	(300,955)	-	(300,955)	-	-	(385,841)
	<u>\$ 6,438,069</u>	<u>\$ 10,162</u>	<u>\$ 27,857,731</u>	<u>\$ 147,643</u>	<u>\$ 28,005,374</u>	<u>\$ 40,898,005</u>	<u>\$ -</u>	<u>\$ 40,898,005</u>	<u>\$ 998,794</u>	<u>\$ 17,771,726</u>	<u>\$ 94,122,130</u>
At January 1	\$ 6,438,069	\$ 10,162	\$ 27,857,731	\$ 147,643	\$ 28,005,374	\$ 40,898,005	\$ -	\$ 40,898,005	\$ 998,794	\$ 17,771,726	\$ 94,122,130
Additions	-	-	383,797	-	383,797	611,451	-	611,451	45,860	4,415,733	5,456,841
Disposals, net	-	-	(53,937)	-	(53,937)	(54,404)	-	(54,404)	4,349	-	(103,992)
Acquired from business combinations	3,227,066	-	1,374,609	-	1,374,609	968,092	-	968,092	130,242	527,608	6,227,617
Reclassifications	-	-	3,099,255	(5,791)	3,093,464	4,313,946	-	4,313,946	144,540	(7,546,387)	5,563
Depreciation	-	-	(936,537)	(688)	(937,225)	(2,335,243)	-	(2,335,243)	(97,217)	-	(3,369,685)
Net exchange differences	1,566	-	23,389	-	23,389	43,100	-	43,100	1,951	43,522	113,528
At March 31	<u>\$ 9,666,701</u>	<u>\$ 10,162</u>	<u>\$ 31,748,307</u>	<u>\$ 141,164</u>	<u>\$ 31,889,471</u>	<u>\$ 44,444,947</u>	<u>\$ -</u>	<u>\$ 44,444,947</u>	<u>\$ 1,228,519</u>	<u>\$ 15,212,202</u>	<u>\$ 102,452,002</u>
At March 31											
Cost	\$ 9,666,701	\$ 10,162	\$ 63,584,848	\$ 249,086	\$ 63,833,934	\$ 88,097,199	\$ 2,234	\$ 88,099,433	\$ 3,700,598	\$ 15,212,202	\$ 180,523,030
Accumulated depreciation	-	-	(31,753,042)	(107,922)	(31,860,964)	(43,330,376)	(2,234)	(43,332,610)	(2,472,079)	-	(77,665,653)
Accumulated impairment	-	-	(83,499)	-	(83,499)	(321,876)	-	(321,876)	-	-	(405,375)
	<u>\$ 9,666,701</u>	<u>\$ 10,162</u>	<u>\$ 31,748,307</u>	<u>\$ 141,164</u>	<u>\$ 31,889,471</u>	<u>\$ 44,444,947</u>	<u>\$ -</u>	<u>\$ 44,444,947</u>	<u>\$ 1,228,519</u>	<u>\$ 15,212,202</u>	<u>\$ 102,452,002</u>

2022

	2022										
	Land	Land-revaluation increment	Buildings and structures			Machinery and equipment			Transportation equipment and other equipment	Unfinished construction and equipment under acceptance	Total
			Owner-occupied	Lease	Subtotal	Owner-occupied	Lease	Subtotal			
At January 1											
Cost	\$ 6,181,780	\$ 10,162	\$ 49,789,232	\$ 229,603	\$ 50,018,835	\$ 68,026,407	\$ 2,234	\$ 68,028,641	\$ 2,612,342	\$ 11,904,232	\$ 138,755,992
Accumulated depreciation	-	-	(27,160,991)	(89,333)	(27,250,324)	(37,251,944)	(2,234)	(37,254,178)	(1,723,043)	-	(66,227,545)
Accumulated impairment	-	-	(87,805)	-	(87,805)	(419,648)	-	(419,648)	-	-	(595,258)
	<u>\$ 6,181,780</u>	<u>\$ 10,162</u>	<u>\$ 22,540,436</u>	<u>\$ 140,270</u>	<u>\$ 22,680,706</u>	<u>\$ 30,354,815</u>	<u>\$ -</u>	<u>\$ 30,354,815</u>	<u>\$ 889,299</u>	<u>\$ 11,904,232</u>	<u>\$ 71,933,189</u>
At January 1	\$ 6,181,780	\$ 10,162	\$ 22,540,436	\$ 140,270	\$ 22,680,706	\$ 30,354,815	\$ -	\$ 30,354,815	\$ 889,299	\$ 11,904,232	\$ 72,020,994
Additions	62,913	-	622,845	-	622,845	292,176	-	292,176	18,084	6,962,453	7,958,471
Disposals, net	(275)	-	(195)	-	(195)	(141,003)	-	(141,003)	(235)	-	(141,708)
Reclassifications	(21,360)	-	1,089,636	-	1,089,636	3,167,088	-	3,167,088	31,250	(4,216,476)	50,138
Depreciation	-	-	(638,425)	(3,805)	(642,230)	(1,794,046)	-	(1,794,046)	(67,920)	-	(2,504,196)
Net exchange differences	2,246	-	293,731	-	293,731	356,119	-	356,119	10,359	175,218	837,673
At March 31	<u>\$ 6,225,304</u>	<u>\$ 10,162</u>	<u>\$ 23,908,028</u>	<u>\$ 136,465</u>	<u>\$ 24,044,493</u>	<u>\$ 32,235,149</u>	<u>\$ -</u>	<u>\$ 32,235,149</u>	<u>\$ 880,837</u>	<u>\$ 14,825,427</u>	<u>\$ 78,221,372</u>
At March 31											
Cost	\$ 6,225,304	\$ 10,162	\$ 52,051,133	\$ 229,603	\$ 52,280,736	\$ 71,111,259	\$ 2,234	\$ 71,113,493	\$ 2,689,622	\$ 14,825,427	\$ 147,144,744
Accumulated depreciation	-	-	(28,057,197)	(93,138)	(28,150,335)	(38,529,162)	(2,234)	(38,531,396)	(1,808,785)	-	(68,490,516)
Accumulated impairment	-	-	(85,908)	-	(85,908)	(346,948)	-	(346,948)	-	-	(432,856)
	<u>\$ 6,225,304</u>	<u>\$ 10,162</u>	<u>\$ 23,908,028</u>	<u>\$ 136,465</u>	<u>\$ 24,044,493</u>	<u>\$ 32,235,149</u>	<u>\$ -</u>	<u>\$ 32,235,149</u>	<u>\$ 880,837</u>	<u>\$ 14,825,427</u>	<u>\$ 78,221,372</u>

Note: On March 30, 2022, to maximize asset utilization and optimize operations, the Board of Directors resolved to sell land and investment property. The transaction was expected to be completed in June 2022, related assets had been transferred to non-current assets held for sale.

- A. Amount of borrowing costs capitalized as part of property, plant and equipment and the range of the interest rates for such capitalization are as follows:

	Three months ended March 31	
	2023	2022
Amount capitalized	\$ 20,936	\$ 13,559
Range of the interest rates for capitalization	1.16%~6.08%	0.60%~1.26%

- B. The significant components and useful life of property, plant and equipment are as follows:

Items	Significant components	Useful life
Buildings and structures	Plants, air conditioning system, and power engineering	3~55 years
Machinery and equipment	Drilling-machine, mask aligner, electroplating and laser machine	2~15 years
Transportation equipment and other equipment	Truck and fork lift	2~20 years

- C. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.
- D. The Company owned a land located at Luzhu Dist., Taoyuan City for building a plant and the related facilities, with an area of 883 square meters, and the cost amounted to \$21,360. The land belongs to forest-floor, and the registration for the transfer cannot be completed. The Company has obtained other rights of the land for securing certain rights to this land. In addition, the Company sold the land in June 2022.
- E. In December 2016, certain plants, buildings, equipment and inventory of U Germany, a subsidiary of the Company, were damaged in a fire. However, the damaged assets were covered by sufficient fire and business interruption insurance, so the Company did not incur any significant loss. For the three months ended March 31, 2023 and 2022, no claims income arising from suspension of operations and assets disaster was recognized. In addition, as of March 31, 2023, the related fire claims have not yet been settled.
- F. The second-tier subsidiary of the Company, Unimicron Technology (KunShan), caught fire in September 2020, resulting in losses on certain factory and buildings, equipment and inventory. For the three months ended March 31, 2022, no gain was recognised from the fire incident. In addition, the related fire claims have been settled and Unimicron Technology (KunShan) has received claims of \$202,578 from the insurance company.
- G. Certain factories of the Company caught fire in October 2020 and February 2021, resulting in losses on certain factories and buildings, equipment and inventory. However, the said factories are covered with property and business interruption insurance and the Company is entitled to claim for compensation for its operating costs during the interruption period. Therefore, no significant loss was incurred by the Company. For the three months ended March 31, 2023 and 2022, gain

from fire incident amounted to \$794,837 and \$0, respectively. In addition, as of March 31, 2023 and 2022, insurance claims receivable amounted to \$0 and \$627,263, respectively (included in other receivables). As of March 31, 2023, the Company has received claims of \$3,115,578 from the insurance company, and continued negotiating with the insurance company with respect to the final settlement of the claims.

H. The second-tier subsidiary of the Company, Unimicron Technology (Huangshi), was eligible to receive development and machinery and equipment bulk purchase subsidies from the respective local government in the amounts of RMB 24,521 thousand and RMB 934 thousand, respectively (included in other non-current liabilities), which will be recognized in profit or loss over the estimated useful lives on a straight-line basis. As of March 31, 2023, the remaining unamortised balances were RMB 9,406 thousand and RMB 389 thousand, respectively.

(9) Leasing arrangements – lessee

A. The Group leases various assets including land, right-of-use of land, buildings, machinery and equipment, transportation equipment and other equipment. Rental contracts are typically made for periods of 1 to 70 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
	<u>Carrying amount</u>	<u>Carrying amount</u>	<u>Carrying amount</u>
Land and land use rights	\$ 1,631,096	\$ 1,778,975	\$ 1,922,114
Buildings	854,654	887,622	993,028
Machinery and equipment	44,245	45,797	194,422
Transportation equipment and other equipment	23,152	21,162	20,198
	<u>\$ 2,553,147</u>	<u>\$ 2,733,556</u>	<u>\$ 3,129,762</u>

	<u>Three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
	<u>Depreciation charge</u>	<u>Depreciation charge</u>
Land and land use rights	\$ 35,939	\$ 40,111
Buildings	46,887	45,695
Machinery and equipment	3,003	10,590
Transportation equipment and other equipment	3,093	3,034
	<u>\$ 88,922</u>	<u>\$ 99,430</u>

C. For the three months ended March 31, 2023 and 2022, the additions to right-of-use assets were \$6,617 and \$7,558, respectively.

D. The information on profit and loss accounts relating to lease contracts is as follows:

	Three months ended March 31	
	2023	2022
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 9,116	\$ 11,588
Expense on short-term lease contracts	15,761	15,915
Expense on leases of low-value assets	1,289	1,040
Expense on variable lease payments	832	1,967
Gain from lease modifications	307	-

E. For the three months ended March 31, 2023 and 2022, the Group's total cash outflow for leases were \$112,860 and \$137,297, respectively.

F. Variable lease payments

Some of the Group's lease contracts contain variable lease payment terms that are linked to the usage amount of machinery and equipment, transportation equipment and other equipment. Lease payments are on the basis of variable payment terms and are accrued based on the usage amount of equipment. Various lease payments that depend on the usage amount of equipment are recognized in profit or loss in the period in which the event or condition that triggers those payments occurs.

G. Extension options

(a) Extension options are included in the Group's lease contracts pertaining to land, land use rights, buildings and structures, transportation equipment and other equipment. These terms and conditions aim to maximize optional flexibility in terms of managing contracts.

(b) In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

H. Land use rights acquired by the Group have a duration of 27 to 70 years, starting from the acquisition date. For the three months ended March 31, 2023 and 2022, depreciation expense and rent expenses were \$7,441 and \$7,327, respectively. In particular, Unimicron Technology (Huangshi) was eligible to receive development subsidies from the local government in the amount of RMB 19,299 thousand (included in other non-current liabilities), which will be recognized in profit or loss over the duration of the land use rights on a straight-line basis. As of March 31, 2023, the remaining unamortised balance of Unimicron Technology (Huangshi) was RMB 17,015 thousand.

(10) Leasing arrangements – lessor

A. The Group leases various assets including land, buildings, machinery and equipment. Rental contracts are typically made for periods of 1 and 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the

leased assets, leased assets may not be used as security for borrowing purposes.

B. The Group leases land, buildings, machinery and equipment under a finance lease. For the three months ended March 31, 2023 and 2022, the amount of finance income from the net investment in the finance lease related to lease contracts was \$133 and \$161, respectively.

C. The maturity analysis of the undiscounted lease payments in the finance lease is as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Less than one year	\$ 4,072	\$ 4,017	\$ 3,766
More than one year but not later than five years	12,071	13,090	16,144
	<u>\$ 16,143</u>	<u>\$ 17,107</u>	<u>\$ 19,910</u>

D. Reconciliation of the undiscounted lease payments and the net investment in the finance lease is provided as follows (included in other receivables and other non-current assets):

	<u>March 31, 2023</u>	<u>March 31, 2023</u>
	<u>Current</u>	<u>Non-current</u>
Undiscounted lease payments	\$ 4,072	\$ 12,071
Unearned finance income	(457)	(578)
Net investment in the lease	<u>\$ 3,615</u>	<u>\$ 11,493</u>
	<u>December 31, 2022</u>	<u>December 31, 2022</u>
	<u>Current</u>	<u>Non-current</u>
Undiscounted lease payments	\$ 4,017	\$ 13,090
Unearned finance income	(488)	(680)
Net investment in the lease	<u>\$ 3,529</u>	<u>\$ 12,410</u>
	<u>March 31, 2022</u>	<u>March 31, 2022</u>
	<u>Current</u>	<u>Non-current</u>
Undiscounted lease payments	\$ 3,766	\$ 16,144
Unearned finance income	(576)	(1,035)
Net investment in the lease	<u>\$ 3,190</u>	<u>\$ 15,109</u>

E. For the three months ended March 31, 2023 and 2022, the Group recognized rent income in the amounts of \$24,522 and \$16,984, respectively, based on the operating lease agreement, which does not include variable lease payments.

F. The maturity analysis of the lease payments under the operating leases is as follows:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Less than one year	\$ 56,597	\$ 63,011	\$ 67,346
More than one year but not later than five years	90,747	102,711	123,025
Over five years	343	429	686
	<u>\$ 147,687</u>	<u>\$ 166,151</u>	<u>\$ 191,057</u>

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Three months ended March 31	
	2023	2022
Rental income from investment property	\$ 2,859	\$ 2,859
Direct operating expenses arising from the investment property that generated rental income during the year	\$ 14,270	\$ 15,028

B. The fair value of the investment property held by the Group as at March 31, 2023, December 31, 2022 and March 31, 2022 was \$1,383,499, \$1,383,499 and \$1,690,381, respectively, which was valued by independent valuers. Valuations were made using the income approach which is categorized within Level 3 in the fair value hierarchy.

(12) Intangible assets

	2023			
	Computer software	Goodwill	Others	Total
At January 1				
Cost	\$ 1,426,589	\$ 74,707	\$ 576,779	\$ 2,078,075
Accumulated amortization	(1,094,114)	-	(339,494)	(1,433,608)
	<u>\$ 332,475</u>	<u>\$ 74,707</u>	<u>\$ 237,285</u>	<u>\$ 644,467</u>
At January 1	\$ 332,475	\$ 74,707	\$ 237,285	\$ 644,467
Additions-acquired by business combinations	3,991	619,168	407,800	1,030,959
Additions-acquired separately	85,974	-	9,961	95,935
Reclassifications	-	-	-	-
Amortization	(63,988)	-	(48,490)	(112,478)
Net exchange differences	527	(532)	118	113
At March 31	<u>\$ 358,979</u>	<u>\$ 693,343</u>	<u>\$ 606,674</u>	<u>\$ 1,658,996</u>
At March 31				
Cost	\$ 543,282	\$ 693,343	\$ 989,979	\$ 2,226,604
Accumulated amortization	(184,303)	-	(383,305)	(567,608)
	<u>\$ 358,979</u>	<u>\$ 693,343</u>	<u>\$ 606,674</u>	<u>\$ 1,658,996</u>

	2022			
	<u>Computer software</u>	<u>Goodwill</u>	<u>Others</u>	<u>Total</u>
At January 1				
Cost	\$ 1,162,868	\$ 67,893	\$ 480,216	\$ 1,710,977
Accumulated amortization	(888,912)	-	(241,941)	(1,130,853)
	<u>\$ 273,956</u>	<u>\$ 67,893</u>	<u>\$ 238,275</u>	<u>\$ 580,124</u>
At January 1	\$ 273,956	\$ 67,893	\$ 238,275	\$ 580,124
Additions-acquired separately	102,757	-	63,585	166,342
Amortization	(45,651)	-	(22,359)	(68,010)
Net exchange differences	2,755	2,461	1,234	6,450
At March 31	<u>\$ 333,817</u>	<u>\$ 70,354</u>	<u>\$ 280,735</u>	<u>\$ 684,906</u>
At March 31				
Cost	\$ 1,124,124	\$ 70,354	\$ 496,015	\$ 1,690,493
Accumulated amortization	(790,307)	-	(215,280)	(1,005,587)
	<u>\$ 333,817</u>	<u>\$ 70,354</u>	<u>\$ 280,735</u>	<u>\$ 684,906</u>

A. Details of amortisation on intangible assets are as follows:

	Three months ended March 31	
	<u>2023</u>	<u>2022</u>
Operating costs	\$ 63,430	\$ 48,465
Selling expenses	264	349
General and administrative expenses	13,327	4,402
Research and development expenses	35,457	14,794
	<u>\$ 112,478</u>	<u>\$ 68,010</u>

B. Goodwill is allocated as follows to the Group's cash-generating units identified according to operating segment:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Taiwan	\$ 624,315	\$ 5,147	\$ 5,147
Mainland China	69,028	69,560	65,207
	<u>\$ 693,343</u>	<u>\$ 74,707</u>	<u>\$ 70,354</u>

(13) Short-term borrowings

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Bank borrowings	\$ 3,714,617	\$ 5,497,000	\$ 3,832,900
L/C borrowings	952,328	2,148,409	3,118,584
	<u>\$ 4,666,945</u>	<u>\$ 7,645,409</u>	<u>\$ 6,951,484</u>
Interest rate range	<u>1.25%~6.06%</u>	<u>0.65%~6.17%</u>	<u>0.75%~1.97%</u>
Undrawn borrowing facilities	<u>\$ 58,049,548</u>	<u>\$ 55,763,878</u>	<u>\$ 46,456,341</u>

As of March 31, 2023, December 31, 2022 and March 31, 2022, aside from the collateral listed in

Note 8, the Company also issued guarantee notes in the amounts of \$10,904,000 and US\$260,000,000, \$11,404,000 and US\$315,000,000 as well as \$8,000,000 and US\$280,000,000 for the aforementioned borrowings, respectively.

(14) Short-term notes and bills payable

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Commercial paper payable	\$ 300,000	\$ 300,000	\$ 350,000
Less: Unamortized discount	-	-	(25)
	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 349,975</u>
Issue rate	<u>1.49%</u>	<u>1.42%</u>	<u>0.63%~0.66%</u>
Undrawn borrowing facilities	<u>\$ 2,100,000</u>	<u>\$ 2,100,000</u>	<u>\$ 2,100,000</u>

The aforementioned commercial paper payable of the Group is guaranteed by International Bills Finance Corp. and etc.

(15) Financial liabilities at fair value through profit or loss – current

<u>Items</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Current items:			
Financial liabilities at fair value through profit or loss			
Valuation adjustment	<u>\$ 40,430</u>	<u>\$ 10,455</u>	<u>\$ 107,760</u>

Details of nature and contract information of derivative financial instruments transactions are provided in Note 6(2).

(16) Other payables

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Employees' compensation and directors' payable	\$ 6,658,712	\$ 6,602,326	\$ 3,977,593
Payable on machinery and equipment	6,697,654	6,532,958	6,273,593
Salaries and bonuses payable	2,132,326	3,282,224	2,112,317
Others	4,429,418	5,373,513	5,248,333
	<u>\$ 19,918,110</u>	<u>\$ 21,791,021</u>	<u>\$ 17,611,836</u>

(17) Other current liabilities

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Lease liabilities	\$ 245,198	\$ 262,437	\$ 339,607
Fund collected for purchase of equipment on behalf of others (Note)	80,139	79,944	124,522
Others	159,872	150,140	152,354
	<u>\$ 485,209</u>	<u>\$ 492,521</u>	<u>\$ 616,483</u>

Note: It refers to fund collected for the purchase of equipment on behalf of customer who

commissioned the Company to acquire equipment on its behalf.

(18) Bonds payable

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Bonds payable	\$ 11,000,000	\$ 11,000,000	\$ 11,000,000
Less: Amorization of discount on bonds payable	(8,527)	(9,193)	(11,192)
	<u>\$ 10,991,473</u>	<u>\$ 10,990,807</u>	<u>\$ 10,988,808</u>

The terms of the domestic unsecured bonds issued by the Company are as follows:

<u>Name</u>	<u>Issuance date</u>	<u>Period</u>	<u>Coupon rate (%)</u>	<u>Original issue price</u>	<u>March 31, 2023</u>
1 st issuance in 2020	2021.01.13	five years	0.68	\$ 3,000,000	\$ 3,000,000
1 st issuance in 2021	2021.05.04	five years	0.75	5,000,000	5,000,000
1 st issuance in 2022	2022.01.12	five years	0.79	3,000,000	3,000,000
					<u>\$ 11,000,000</u>

<u>Name</u>	<u>Issuance date</u>	<u>Period</u>	<u>Coupon rate (%)</u>	<u>Original issue price</u>	<u>December 31, 2022</u>
1 st issuance in 2020	2021.01.13	five years	0.68	\$ 3,000,000	\$ 3,000,000
1 st issuance in 2021	2021.05.04	five years	0.75	5,000,000	5,000,000
1 st issuance in 2022	2022.01.12	five years	0.79	3,000,000	3,000,000
					<u>\$ 11,000,000</u>

<u>Name</u>	<u>Issuance date</u>	<u>Period</u>	<u>Coupon rate (%)</u>	<u>Original issue price</u>	<u>March 31, 2022</u>
1 st issuance in 2020	2021.01.13	five years	0.68	\$ 3,000,000	\$ 3,000,000
1 st issuance in 2021	2021.05.04	five years	0.75	5,000,000	5,000,000
1 st issuance in 2022	2022.01.12	five years	0.79	3,000,000	3,000,000
					<u>\$ 11,000,000</u>

(19) Long-term borrowings

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Bank borrowings	\$ 14,223,933	\$ 12,883,230	\$ 14,130,547
Commercial paper payable	3,060,000	3,100,000	3,100,000
	17,283,933	15,983,230	17,230,547
Less: Current portion	(2,787,859)	(2,411,085)	(2,515,647)
	<u>\$ 14,496,074</u>	<u>\$ 13,572,145</u>	<u>\$ 14,714,900</u>
Interest rate range	<u>1.28%~6.08%</u>	<u>1.13%~6.09%</u>	<u>0.57%~2.05%</u>

A. The long-term borrowings listed above will mature between 2023 and 2040.

B. The Company signed commercial paper issuance agreements with companies including China Bills Finance Corporation (“Bills Finance Corp.”), who agreed to act as underwriters of commercial paper issued by the Company. Under the terms of the agreement, the Company must issue commercial paper with maturity of 90 days or less in the contractual period. If the Company

does not issue the full amount during the period the agreement is in effect, it is required to pay a commitment fee to the other party at an annual interest rate of 0.5%~0.7%. These agreements expire in January 2025, June 2025 and August 2025.

C. In October 2019, the Company signed an agreement of loans for returning Taiwanese investors totaling \$2,000,000 with Taipei Fubon Bank. The loan period is five years from the date the credit is first used (April 23, 2020). The Company is required to maintain the following financial ratios for the duration of the agreement (calculated based on the annual and half-year consolidated financial statements):

- (a) Current ratio of 100% or more;
- (b) Debt ratio not to exceed 150% (calculated as total liabilities divided by net tangible assets; net tangible assets equal stockholders' equity less intangible assets);
- (c) Interest coverage ratio of 4 or more (calculated as earnings before interest, taxes, depreciation and amortisation divided by interest expense).
- (d) Net tangible assets of not lower than \$40,000,000.

In addition, on June 27, 2022, the banks cancelled the financial commitments and the Company repaid the long-term borrowings in December 2022.

D. In March 2020, the Company signed an agreement of loans for returning Taiwanese investors totaling \$2,000,000 with Mega International Commercial Bank. The loan period is five years from the date the credit is first used (September 28, 2021). The Company is required to maintain the following financial ratios for the duration of the agreement (calculated based on the annual and half-year consolidated financial statements):

- (a) Current ratio of 100% or more;
- (b) Debt ratio not to exceed 150% (calculated as total liabilities divided by net tangible assets; net tangible assets equal stockholders' equity less intangible assets);
- (c) Interest coverage ratio of 4 or more (calculated as earnings before interest, taxes, depreciation and amortisation divided by interest expense).

In addition, on February 18, 2022, the banks cancelled the financial commitments.

E. In February 2020, Qun Hong Technology resigned a medium to long-term loan agreement of \$200,000 with Bank Sinopac. The agreement is set to expire in March 2023. Qun Hong Technology is required to maintain the following financial ratios for the duration of the agreement (calculated based on the annual consolidated financial statements of Qun Hong Technology):

- (a) Current ratio of at least 90%;
- (b) Debt ratio not to exceed 185% (calculated as total liabilities divided by net tangible assets; net tangible assets equal stockholders' equity less intangible assets);
- (c) Net tangible assets of not lower than \$1,000,000.

In addition, Qun Hong Technology repaid the long-term borrowings in August 2022.

F. In October 2021, Qun Hong Technology was revised a medium term loan agreement of \$270,000 with Chinatrust Commercial Bank. The agreement is set to expire in November 2023. Qun Hong

Technology is required to maintain the following financial ratios for the duration of the agreement (calculated based on the annual consolidated financial statements of Qun Hong Technology):

- (a) Cash flow from operating activities of at least \$0;
- (b) Debt ratio not to exceed 350% in 2021, 300% in 2022 and 250% in 2023 (calculated as total liabilities divided by net tangible assets; net tangible assets equal stockholders' equity less intangible assets).
- (c) Net tangible assets of not lower than \$800,000;
- (d) Earnings before interest, taxes, depreciation and amortisation/current portion of long-term financial liabilities plus interest expense of more than 1.2.

In addition, Qun Hong Technology repaid the long-term borrowings in November 2022.

G. In May 2021, Qun Hong Technology signed a medium term loan agreement of \$200,000 with Taishin International Bank. The agreement is set to expire in May 2024. Qun Hong Technology is required to maintain the following financial ratios for the duration of the agreement (calculated based on the annual consolidated financial statements of Qun Hong Technology):

- (a) Current ratio of at least 80%;
- (b) Debt ratio not to exceed 300% (calculated as total liabilities divided by net tangible assets).
- (c) Net tangible assets of not lower than \$1,800,000 (net tangible assets equal stockholders' equity less intangible assets).

In addition, Qun Hong Technology repaid the long-term borrowings in June 2022.

H. In February 2018, Subtron Technology signed a medium term loan agreement of \$100,000 with KGI Bank. The loan period is five years from the date the credit is first used (June 20, 2018). Subtron Technology is required to maintain the following financial ratios for the duration of the agreement (calculated based on the annual and half-year consolidated financial statements of Subtron Technology):

- (a) Current ratio of at least 100%;
- (b) Debt ratio not to exceed 150% (calculated as total liabilities divided by net tangible assets).
- (c) Interest coverage ratio of 2.5 or more (calculated as earnings before interest, taxes, depreciation and amortisation divided by interest expense).

I. In May 2019, Subtron Technology signed a medium term loan agreement of \$200,000 with KGI Bank. The loan period is five years from the date the credit is first used (July 25, 2019). Subtron Technology is required to maintain the following financial ratios for the duration of the agreement (calculated based on the annual and half-year consolidated financial statements of Subtron Technology):

- (a) Current ratio of at least 100%;
- (b) Debt ratio not to exceed 150% (calculated as total liabilities divided by net tangible assets).
- (c) Interest coverage ratio of 2.5 or more (calculated as earnings before interest, taxes, depreciation and amortisation divided by interest expense).

J. In April 2020, Subtron Technology signed a medium term loan agreement of \$350,000 with KGI

Bank. The loan period is five years from the date the credit is first used (April 21, 2020). Subtron Technology is required to maintain the following financial ratios for the duration of the agreement (calculated based on the annual and half-year consolidated financial statements of Subtron Technology):

- (a) Current ratio of at least 100%;
- (b) Debt ratio not to exceed 150% (calculated as total liabilities divided by net tangible assets).
- (c) Interest coverage ratio of 2.5 or more (calculated as earnings before interest, taxes, depreciation and amortisation divided by interest expense).

K. As of March 31, 2023, December 31, 2022 and March 31, 2022, aside from the collateral listed in Note 8, the Company also issued guarantee notes in the amounts of \$16,050,656 and US\$150,000,000, \$13,662,000 and US\$170,000,000 and \$17,042,000 and US\$230,000,000 for the aforementioned borrowings, respectively.

(20) Other non-current liabilities

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Lease liabilities	\$ 1,149,052	\$ 1,295,850	\$ 1,444,007
Construction payable on behalf of others (Note 1)	806,860	803,127	822,027
Advance receipts for relocation (Note 2)	731,537	239,321	239,321
Accrued pension liabilities	547,506	484,096	632,354
Others	<u>475,637</u>	<u>476,069</u>	<u>520,841</u>
	<u>\$ 3,710,592</u>	<u>\$ 3,298,463</u>	<u>\$ 3,658,550</u>

Note 1: Details of construction payable on behalf of others in Note 9D.

Note 2: Details of advance receipts for relocation in Note 9E.

(21) Pensions

A. (a) The Company, Qun Hong Technology, Apm Communication, Asia Pacific and Subtron Technology have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company, Qun Hong Technology, Apm Communication, Asia Pacific and Subtron Technology contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company, Qun Hong Technology, Apm Communication and Asia Pacific would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account

balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to be qualify for retirement in the following year, the Company, Qun Hong Technology, Apm Communication and Asia Pacific will make contributions for the deficit by next March. U JAPAN has a defined benefit retirement plan in accordance with local regulations.

- (b) The pension costs under the defined benefit pension plans of the Group for the three months ended March 31, 2023 and 2022 were \$4,019 and \$3,551, respectively.
 - (c) Expected contributions to the defined benefit pension plans of the Company, Qun Hong, Asia Pacific, U JAPAN and Subtron Technology for the year ending December 31, 2023 amount to \$24,985, \$1,356, \$0, \$5,939 and \$3,006, respectively.
- B. (a) The Company, Qun Hong Technology, UniCuisine, Apm, Asia Pacific and Subtron Technology Communication have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company, Qun Hong Technology, UniCuisine, Apm, Asia Pacific and Subtron Technology Communication contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) Consolidated subsidiaries, Unimicron Technology (ShenZhen), Unimicron Technology (KunShan), Unimicron-FPC Technology (Kunshan), Unimicron Technology (SuZhou), Unimicron Technology (Huangshi), Unimicron Touchand , Unimicron-Carrier Technology, Hu Se Sn Li Management Crop., Ltd., U Germany and Gobo Lighting Technology, contribute a fixed percentage of the salaries and wages of its employees to a pension fund every month in accordance with local pension regulations. The contribution ratios range from 9% to 16%. The pension fund of each employee is administered by the government. Unimicron Touch completed the liquidation process in January 2022.
 - (c) Consolidated subsidiaries, Hemingway, UMTC, Plato-Cayman, SI, UHL, BO, UniSmart, UniRuwel, UniClover, UniDH, UniDT, UniBest, USZT, UKST, UniGreat, NEOCONIX, PAVIDA, UniWonderful and SHL do not have employee retirement plans, nor are they required to have such plans according to local laws and regulations. In addition, UniDT and UniDH finished the liquidation process in September 2022 and November 2022, respectively.
 - (d) Hsin Yang Investment, Unimicron Management (KunShan), Kunshan Dingchangxin, Suzhou Qunye, Kunshan Qunqi, UNIMICRON ELECTRONIC TESTING (KUNSHAN), UniFresh, Gobo Lighting Technology, Gobo Business Management and UniTH have no employees and therefore do not have to recognize pension costs.
 - (e) The pension costs under the defined contribution pension plans of the Group for the three months ended March 31, 2023 and 2022 were \$291,674, and \$272,657, respectively.

(22) Share-based payment

A. For the three months ended March 31, 2023 and 2022, the Group's share-based payment arrangements were as follows:

(a) The Company:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted</u> <u>(Shares in thousands)</u>	<u>Contract</u> <u>period</u>	<u>Vesting</u> <u>conditions</u>
Restricted stocks to employees	2022.09.12	3,105	2.5 years	Note

Note: Employees who were employed at the time of the issuance of new restricted stocks and satisfied following conditions, have not violated their labor contracts, and whose recent performance reviews meet required standards will receive new shares according to the following schedule:

A. After 15 months starting from the issuance date of new restricted stocks, employees can exercise 50% of vested shares.

B. After 30 months starting from the issuance date of new restricted stocks, employees can exercise 50% of vested shares.

Except for inheritance, aforementioned restricted stocks issued by the Company cannot be sold, pledged, transferred, granted to others, creates the thing with a right in rem, or other ways of disposal during the vesting period, but voting right and dividend right are not restricted on these stocks. When employees do not reach those conditions, the Company will repurchase at original issuance price and retire those shares.

The aforementioned share-based payment arrangements all are equity-settled.

(b) Qun Hong Technology:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted</u> <u>(Shares in thousands)</u>	<u>Contract</u> <u>period</u>	<u>Vesting</u> <u>conditions</u>
Employee stock options	2017.06.20	6,000	5 years	Note

Note: Stock warrants can be exercised starting from the first anniversary of the grant date according to the following schedule:

A. On the first anniversary of the grant date, up to 30% of the stock warrants granted can be exercised.

B. On the second anniversary of the grant date, up to 60% of the stock warrants granted can be exercised.

C. On the third anniversary of the grant date, 100% of the stock warrants granted can be exercised.

(c) NEOCONIX:

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted (Shares in thousands)</u>	<u>Contract period</u>	<u>Vesting conditions</u>
Stock options A~O	2003.10.23~ 2012.09.06	5,969	10 years	Note
Employee stock option certificates A~B	2012.06.18~ 2012.06.30	277	10 years	-

Note: Stock options can be exercised starting from the first anniversary of the grant date according to the following schedule:

- A. On the first anniversary of the grant date, up to 25% of the stock options granted can be exercised.
- B. On the second anniversary of the grant date, up to 50% of the stock options granted can be exercised.
- C. On the third anniversary of the grant date, up to 75% of the stock options granted can be exercised.
- D. On the fourth anniversary of the grant date, 100% of the stock options granted can be exercised.
- E. Options must be exercised within ten years of the signing of the contract and can be exercised fully or partially without making cash payments. In the event of a merger or acquisition, the bank must decide whether to exercise or the options are immediately deemed as expired.

(d) Asia Pacific

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted (Shares in thousands)</u>	<u>Contract period</u>	<u>Vesting conditions</u>
Employee stock options	2021.09.01	2,357	3.5 years	Note

Note: Stock warrants can be exercised starting from the first anniversary of the grant date according to the following schedule:

- A. On the first anniversary of the grant date, up to 50% of the stock warrants granted can be exercised.
- B. On the second anniversary of the grant date, up to 80% of the stock warrants granted can be exercised.
- C. On the 30 months of the grant date, 100% of the stock warrants granted can be exercised.

(e) Unimicron Technology (SuZhou)

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted (Shares in thousands)</u>	<u>Contract period</u>	<u>Vesting conditions</u>
Plan of increasing capital through employee stock options	2022.03.31	48,577	4 years and 6 years	Note 1
Plan of increasing capital through director and advisor stock options	2022.11.18	1,280	6 years	Note 2

Note 1: The length of employees' service period (for section managers and above, 72 consecutive months starting from April 1, 2022; and for those below section manager level, 48 consecutive months starting from April 1, 2022) or the Company listed in the market and IPO lock-up was satisfied.

Note 2: Current directors and appointed consultants who had special contributions to Unimicron Technology (SuZhou) are entitled to 100% vested stock options after being reported to the Board of Directors and having the shareholders' approval.

With respect to Unimicron Technology (SuZhou)'s plan of increasing capital through employee stock options, if the vesting conditions are not met and the partner did not formally agree in advance, limited partners could not transfer or pledge all or part of their investments or dispose in other ways. Additionally, if common partners agree, the dividends, bonus and other income shall be distributed in proportion of each partner's actual investments. If limited partner does not reach the vesting conditions, it shall be repurchased in accordance with the partner agreement. The aforementioned Unimicron Technology (SuZhou)'s plan of increasing capital through directors' and the consultant's stock options require a service period for 6 years. If the service period is not fulfilled, the vested equity interest will not be recovered, however, they should follow the lock-up periods and restrictions on disposal.

The aforementioned share-based payment arrangements all are equity-settled.

(f) UniCuisine

<u>Type of arrangement</u>	<u>Grant date</u>	<u>Quantity granted (Shares in thousands) (Note)</u>	<u>Vesting conditions</u>
Cash capital increase reserved for employee preemption	2022.08.12	105	Vested immediately

Note: 25 thousand shares are reserved for the Company's employees.

B. Details of above stated stock options and option plans are as follows:

(a) The Company:

Restricted stocks to employees

	Year ended December 31			
	2023		2022	
	No. of restricted stocks (Shares in thousands)	Exercise price (in dollars)	No. of restricted stocks (Shares in thousands)	Exercise price (in dollars)
Employee restricted shares at beginning of period	3,105	\$ 95.10	-	\$ -
Shares granted	-	-	-	-
Shares vested	-	-	-	-
Shares repurchased	-	-	-	-
Shares retired	(4)	-	-	-
Employee restricted shares	<u>3,101</u>	<u>\$ 95.10</u>	<u>-</u>	<u>\$ -</u>

(b) Qun Hong Technology:

Employee stock options

	Year ended December 31			
	2023		2022	
	No. of options (Shares in thousands)	Exercise price (in dollars)	No. of options (Shares in thousands)	Exercise price (in dollars)
Options outstanding at beginning of period	-	\$ -	4,288	\$ 16.89
Options granted	-	-	-	-
Options exercised	-	-	-	-
Options expired	-	-	(115)	-
Options outstanding at end of period (Note)	<u>-</u>	<u>\$ -</u>	<u>4,173</u>	<u>\$ 16.89</u>
Employee stock options exercised (Note)	<u>-</u>	<u>\$ -</u>	<u>4,173</u>	<u>\$ 16.89</u>

Note: Adjust the exercise price according to the rules of employee stock options since the numbers of options increased.

(c) NEOCONIX:

Stock options

	Year ended December 31			
	2023		2022	
	No. of options (Shares in thousands)	Exercise price (in dollars)	No. of options (Shares in thousands)	Exercise price (in dollars)
Options outstanding at beginning of period	-	\$ -	225	\$0.04~\$0.15
Options granted	-	-	-	-
Options exercised	-	-	-	-
Options expired	-	-	-	-
Options outstanding at end of period	<u>-</u>	<u>\$ -</u>	<u>225</u>	<u>\$0.04~\$0.15</u>
Employee stock options exercised	<u>-</u>	<u>\$ -</u>	<u>225</u>	<u>\$0.04~\$0.15</u>

(d) Asia Pacific

Employee stock options

	Year ended December 31			
	2023		2022	
	No. of options (Shares in thousands)	Exercise price (in dollars)	No. of options (Shares in thousands)	Exercise price (in dollars)
Options outstanding at beginning of period	2,109	\$ 10.20	2,327	\$ 10.20
Options granted	-	-	-	-
Options exercised	-	-	-	-
Options expired	-	-	(57)	-
Options outstanding at end of period	<u>2,109</u>	<u>\$ 10.20</u>	<u>2,270</u>	<u>\$ 10.20</u>
Employee stock options exercised	<u>1,055</u>	<u>\$ 10.20</u>	<u>1,135</u>	<u>\$ 10.20</u>

(e) Unimicron Technology (SuZhou)

Plan of increasing capital through employee stock options

	Year ended December 31			
	2023		2022	
	No. of shares used in increasing capital (Shares in thousands)	Exercise price (in RMB dollars)	No. of shares used in increasing capital (Shares in thousands)	Exercise price (in RMB dollars)
Number of shares held by employees used in increasing capital at beginning of period	47,747	\$ 3.11	-	\$ -
Shares granted	-	-	48,577	3.11
Shares vested	-	-	-	-
Shares repurchased	(100)	-	-	-
Number of shares held by employees used in increasing capital	<u>47,647</u>	<u>\$ 3.11</u>	<u>48,577</u>	<u>\$ 3.11</u>

Plan of increasing capital through directors' and the consultant's stock options

Stock options of plan of increasing capital through directors and the consultant of Unimicron Technology (SuZhou) has been granted and fully vested on November 18, 2022.

(f) UniCuisine

Cash capital increase reserved for employee preemption

Cash capital increase reserved for employee preemption of UniCuisin has been granted and fully exercised on August 12, 2022.

- C. As of March 31, 2023 and 2022, the exercise price of restricted stocks to employees outstanding were both NT\$95.10. The weighted-average remaining contractual period were 1.95 years and 2.20 years, respectively. In addition, as of March 31, 2022, the restricted stocks to employees have not been issued.
- D. As of March 31, 2023, the exercise prices of stock options outstanding of Qun Hong Technology was NT\$16.89; the weighted-average remaining contractual period was 0.22 year. In addition, there was no stock option outstanding as of March 31, 2023 and 2022.
- E. As of March 31, 2023, the range of exercise prices of stock options outstanding of NEOCONIX was US\$0.04~\$0.15 for both years; the weighted-average remaining contractual period was 0.4 year. In addition, there was no option outstanding as of March 31, 2023 and 2022.
- F. As of March 31, 2023, December 31, 2022 and March 31, 2022, the exercise price of stock options

outstanding of Asia Pacific was NT\$10.20; and the weighted-average remaining contractual periods were 1.92 years, 2.17 years and 2.92 years, respectively.

G. As of March 31, 2023, December 31, 2022 and March 31, 2022, the exercise price of Unimicron Technology (SuZhou)'s plan of increasing capital through employee stock options outstanding was RMB 3.11, and the weighted average residual contract periods were 5 years and 3 years, 5.25 years and 3.25 years, and 6 years and 4 years, respectively.

H. As of March 31, 2023 and December 31, 2022, Unimicron Technology (SuZhou) had no directors' and consultant's stock options outstanding, and the weighted average residual contract periods were 5.63 years and 5.88 years, respectively. In addition, directors' and consultant's stock options have not been issued as of March 31, 2022.

I. The fair value of stock options granted by the Company, Qun Hong Technology, NEOCONIX, Asia Pacific, Unimicron Technology (SuZhou) and UniCuisine is measured using the Black-Scholes option-pricing model or value equation model. Relevant information is as follows:

(a) The Company:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends (in dollars)	Risk-free interest rate	Fair value per unit (in dollars)
Restricted Stock to employees	2022.09.12	\$ 142.50	\$ 95.10	-	-	\$ -	-	\$ 47.40

(b) Qun Hong Technology:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends (in dollars)	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock options	2017.06.20	\$ 13.06	\$ 20.00	31.05%	4.0 years	\$ -	0.74%	\$ 1.49

(c) NEOCONIX

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends (in dollars)	Risk-free interest rate	Fair value per unit (in dollars)
Stock options A~O	2003.10.23 ~ 2012.09.06	\$0.026~ \$0.101	\$0.04~ \$0.15	54.48%~ 71.92%	6.25 years	\$ -	0.96%~ 4.83%	\$1,548.00~ \$110,828.55
Employee stock option certificates A~B	2012.06.18 ~ 2012.06.30	\$ -	\$ -	-	8.7 years	\$ -	-	\$ -

(d) Asia Pacific

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends (in dollars)	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock options	2021.09.01	\$ 9.76	\$ 10.20	42.77%	2.55 years	\$ -	0.24%	\$ 2.47

(e) Unimicron Technology (SuZhou)

Type of arrangement	Grant date	Stock price (in RMB dollars)	Exercise price (in RMB dollars)	Expected price volatility	Expected option life	Expected dividends (in RMB dollars)	Risk-free interest rate	Fair value per unit (in RMB dollars)
Plan of increasing capital through employee stock options	2022.03.31	\$ 3.56	\$ 3.11	-	-	\$ -	-	\$ 0.45
Plan of increasing capital through directors and consultant stock options	2022.11.18	\$ 7.09	\$ 3.11	-	-	\$ -	-	\$ 3.98

(f) UniCuisine

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends (in dollars)	Risk-free interest rate	Fair value per unit (in dollars)
Cash capital increase reserved for employee preemption	2022.08.12	\$ 26.98	\$ 20.00	33.75%	-	\$ -	0.6889%	\$ 6.99

J. Expenses incurred on share-based payment transactions are shown below:

	Three months ended March 31	
	2023	2022
Equity-settled	\$ 24,556	\$ 778

(23) Share capital

- A. As of December 31, 2022, the Company's authorized and paid-in capital were \$20,000,000 and \$15,237,992, respectively.

	<u>2023</u>	<u>2022</u>
At January 1	1,478,365,333	1,475,260,333
Capital increase due to the merger	45,437,864	-
Retirement of restricted shares to employees	(4,000)	-
At March 31	<u>1,523,799,197</u>	<u>1,475,260,333</u>

- B. On June 15, 2022, the shareholders of the Company resolved to issue restricted shares to employees (refer to Note 6(22) for details). It was effective after applying with the Financial Supervisory Commission on June 29, 2022, and the issuance could be divided into several times in 1 year. The effective date of new shares issuance was September 12, 2022, and the application was approved by the Ministry of Economic Affairs on October 19, 2022. The issuance contained 3,105 thousand common shares at an acquisition price of NT\$95.10 per share. The employee restricted ordinary shares issued are subject to certain transfer restrictions before their vesting conditions are met. Other than these restrictions, the rights and obligations of these shares issued are the same as other issued ordinary shares. In addition, the Board of Directors resolved to retire 4 thousand shares of employee restricted stocks on March 13, 2023, and the registration was completed on March 29, 2023.
- C. On March 30, 2022, the Company's Board of Directors resolved the share swap with Subtron Technology to issue 45,438 thousand ordinary shares with NT\$10 (in dollars) per share. The effective date for capital increase was set on January 6, 2023, and the registration was completed on February 10, 2023.
- D. Treasury shares

- (1) Reason for share reacquisition and movements in the number of the Company's treasury shares are as follows:

Name of company holding the shares	Reason for reacquisition	March 31, 2023	
		Number of shares	Carrying amount
Subsidiary-Hsin Yang Investment	Shares of the parent company held by subsidiaries transferred to treasury shares	1,011,935	\$ 120,420
Subsidiary-Subtron Technology	Shares of the parent company held by subsidiaries transferred to treasury shares	255,000	30,345

(2) The abovementioned treasury shares were shares of Subtron Technology originally held by Hsin Yang Investment. Since the Company merged with Subtron Technology and converted into the Company's shares, those were transferred to treasury shares. In addition, the Company's shares originally held by Subtron Technology were also transferred to treasury shares after the merger.

(24) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

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2023										
	Share premium	Expired employee stock options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates and joint ventures accounted for using equity method	Net assets from merger	Treasury share transactions	Employee restricted shares	Others	Total
At January 1	\$ 6,222,199	\$ 34,314	\$ 11,944	\$ 309,642	\$ 77,995	\$ 1,903,855	\$ 937,482	\$ 459,451	\$ -	\$ 9,956,882
Changes in ownership interests in subsidiaries	-	-	-	(1,285)	-	-	-	-	-	(1,285)
Changes in net assets of associates accounted for using equity method	-	-	-	-	(17,786)	-	-	-	-	(17,786)
Capital surplus - dividends not received by shareholders	-	-	-	-	-	-	-	-	138	138
Capital increase	4,952,727	-	-	-	-	-	-	-	-	4,952,727
Retirement of restricted shares to employees	-	-	-	-	-	-	-	40	-	40
At March 31	<u>\$ 11,174,926</u>	<u>\$ 34,314</u>	<u>\$ 11,944</u>	<u>\$ 308,357</u>	<u>\$ 60,209</u>	<u>\$ 1,903,855</u>	<u>\$ 937,482</u>	<u>\$ 459,491</u>	<u>\$ 138</u>	<u>\$14,890,716</u>

2022										
	Share premium	Expired employee stock options	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Changes in ownership interests in subsidiaries	Net change in equity of associates and joint ventures accounted for using equity method	Net assets from merger	Treasury share transactions	Employee restricted shares	Others	Total
At January 1	\$ 6,222,148	\$ 34,314	\$ 11,944	\$ 144,247	\$ 77,957	\$ 1,903,855	\$ 937,482	\$ 64,452	\$ 277	\$ 9,396,676
Treasury shares sold to employees	-	-	-	521	-	-	-	-	-	521
Changes in net assets of associates accounted for using equity method	-	-	-	-	(208)	-	-	-	-	(208)
Capital surplus - dividends not received by shareholders	-	-	-	-	-	-	-	-	121	121
At March 31	<u>\$ 6,222,148</u>	<u>\$ 34,314</u>	<u>\$ 11,944</u>	<u>\$ 144,768</u>	<u>\$ 77,749</u>	<u>\$ 1,903,855</u>	<u>\$ 937,482</u>	<u>\$ 64,452</u>	<u>\$ 398</u>	<u>\$ 9,397,110</u>

(25) Retained earnings

- A. In accordance with the Articles of Incorporation, earnings is distributed in the following order:
 - (a) Payment of taxes.
 - (b) Covering accumulated deficit.
 - (c) Set aside 10% of the remaining earnings as legal reserve; however this is not required if total legal reserve equals total paid-in capital.
 - (d) Set aside or reverse special reserve in accordance with relevant laws and regulations or as required by the competent authority.
 - (e) The distribution of the remaining amount, plus unappropriated earnings from prior years, shall be proposed by the Board of Directors and resolved by shareholders in their general meeting.
- B. The Company's dividend policy is carried out in accordance with the amended Articles of Incorporation, which take into account the Company's current and future investment environment, capital needs, domestic and foreign competition, and capital budget, along with shareholders' interests and the balance between dividends and long-term financial plans of the Company. Pursuant to existing regulations, the Board of Directors prepares an earnings distribution proposal every year and submits it to the shareholders for approval. The Company's dividend policy is as follows: taking into consideration the Company's future expansion plans and capital needs while operating in the high-tech electronics industry, cash dividends shall account for at least 10% of total dividends distributed, and no more than 90% of the Company's distributable earnings shall be appropriated as dividends.
- C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. (a) The appropriations of 2022 earnings as proposed by the Board of Directors during its meeting on February 21, 2023 and the appropriations of 2021 earnings as resolved by the shareholders during their meeting on June 15, 2022 are as follows:

	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 2,975,047		\$ 1,324,471	
Provision (reversal) of special reserve	304,886		(217,688)	
Cash dividends	12,190,426	\$ 8.00	5,015,885	\$ 3.40
	\$ 15,470,359		\$ 6,122,668	

As of April 25, 2023, the above stated appropriations of 2022 earnings have not yet been resolved by the shareholders.

F. The consolidated subsidiaries, Unimicron Technology (ShenZhen), Unimicron Technology (KunShan), Unimicron-FPC Technology (Kunshan), Unimicron Technology (SuZhou), Unimicron Touch, Unimicron Technology (Huangshi), Unimicron Management (Kunshan), Kunshan Dingchangxin, Unimicron-Carrier Technology (Huangshi), SuZhou Qunye, Hu Se Sn Li, KunShan Qunqi, UNIMICRON ELECTRONIC TESTING (KUNSHAN), Gobo Lighting Technology and Gobo Business Management set aside a portion of after-tax profits for the reserve fund and staff bonus welfare fund in accordance with regulations on foreign invested enterprises as set forth in the Company Law of the People's Republic of China. The percentage of after-tax profits allocated to the reserve fund must be 10% or more. Once the amount of the reserve fund reaches 50% of the registered capital, contribution to the fund is no longer required. The percentage of after-tax profits allocated to the staff bonus welfare fund is determined by the company. No profits can be distributed before operating losses from prior years are first covered. In addition, Unimicron Touch finished the liquidation process in January 2022.

(26) Operating revenue

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services at a point in time in the following geographical regions:

<u>Three months ended March 31, 2023</u>	<u>Taiwan</u>	<u>Asia</u>	<u>America</u>	<u>Others</u>	<u>Total</u>
Revenue from external customer contracts	<u>\$ 7,644,317</u>	<u>\$16,631,786</u>	<u>\$1,104,676</u>	<u>\$1,185,427</u>	<u>\$ 26,566,206</u>
Timing of revenue recognition					
At a point in time	<u>\$ 7,644,317</u>	<u>\$16,631,786</u>	<u>\$1,104,676</u>	<u>\$1,185,427</u>	<u>\$ 26,566,206</u>
<u>Three months ended March 31, 2022</u>	<u>Taiwan</u>	<u>Asia</u>	<u>America</u>	<u>Others</u>	<u>Total</u>
Revenue from external customer contracts	<u>\$ 6,316,612</u>	<u>\$22,328,942</u>	<u>\$ 926,735</u>	<u>\$1,138,704</u>	<u>\$ 30,710,993</u>
Timing of revenue recognition					
At a point in time	<u>\$ 6,316,612</u>	<u>\$22,328,942</u>	<u>\$ 926,735</u>	<u>\$1,138,704</u>	<u>\$ 30,710,993</u>

B. Contract assets and liabilities (shown as other current liabilities and other non-current liabilities)

The Group has recognized the following revenue-related contract liabilities:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>	<u>January 1, 2022</u>
Contract liabilities - advance sales receipts	<u>\$ 48,509,054</u>	<u>\$ 47,870,176</u>	<u>\$ 36,937,090</u>	<u>\$ 31,909,412</u>

C. Revenue recognized that was included in the contract liability balance at the beginning of the period

	<u>Three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
Operating revenue	<u>\$ 1,420,037</u>	<u>\$ 621,079</u>

As of March 31, 2023, December 31, 2022 and March 31, 2022, certain letters of credit guaranteed by a bank for the abovementioned contract liabilities amounted to USD 91,569 thousand and RMB 66,250, USD 102,297 thousand and RMB 8,760, and USD 116,024 thousand, respectively.

(27) Other income and expenses-net

	<u>Three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
Rental income from investment property	\$ 2,859	\$ 2,859
Depreciation on investment property	(847)	(847)
Other income and expenses, net	3,932	28,367
	<u>\$ 5,944</u>	<u>\$ 30,379</u>

(28) Other income

	Three months ended March 31	
	2023	2022
Revenue from sale of scraps	\$ 105,424	\$ 101,825
Indemnity income due to fire damage	794,837	-
Dividend income	42,000	145,957
Rental revenue	21,663	14,125
Miscellaneous income	73,508	56,895
	<u>\$ 1,037,432</u>	<u>\$ 318,802</u>

(29) Other gains and losses

	Three months ended March 31	
	2023	2022
Net currency exchange (losses) gains	(\$ 226,644)	\$ 968,700
Gains on disposal of investments (Note)	885,407	-
Losses on disposal of property, plant and equipment	(56,076)	(7,725)
Net gains (losses) on financial assets or liabilities at fair value through profit or loss	593,148	(1,023,596)
Gains arising from lease modifications	307	-
Miscellaneous disbursements	(61,194)	(9,942)
	<u>\$ 1,134,948</u>	<u>(\$ 72,563)</u>

Note: Gains on disposal of investments represents gain on the remeasurement of the original equity in Subtron Technology due to the Company's merger with Subtron Technology. Refer to Note 6(35).

(30) Finance costs

	Three months ended March 31	
	2023	2022
Interest expense-bank borrowings	\$ 164,549	\$ 53,566
Interest expense-bonds payable	20,398	19,406
Interest expense-lease transactions	9,116	11,588
Bill handling fee	4,731	5,128
Amortization of discount on bonds payable	666	635
Others	1,950	2,029
	<u>201,410</u>	<u>92,352</u>
Less: Capitalization of qualifying assets	(20,936)	(13,559)
	<u>\$ 180,474</u>	<u>\$ 78,793</u>

(31) Expenses by nature

	Three months ended March 31	
	2023	2022
Employee benefit expense	\$ 5,797,897	\$ 6,741,760
Depreciation charges on property, plant and equipment (including investment assets and right-of-use assets)	3,459,454	2,604,473
Amortization charges on intangible assets	112,478	68,010
	<u>\$ 9,369,829</u>	<u>\$ 9,414,243</u>

(32) Employee benefit expense

	Three months ended March 31	
	2023	2022
Salary expenses	\$ 4,729,114	\$ 5,713,185
Labour and health insurance fees	487,340	443,297
Pension and severance pay	304,366	277,798
Other personnel expenses	277,077	307,480
	<u>\$ 5,797,897</u>	<u>\$ 6,741,760</u>

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, after covering accumulated losses, shall be between 6% and 16% for employees' compensation and shall not exceed 0.9% for directors' remuneration.

B. For the three months ended March 31, 2023 and 2022, employees' compensation was accrued at \$554,332, and \$1,277,092, respectively; while directors' remuneration was accrued at \$6,723 and \$6,930, respectively. The aforementioned amounts were recognized in salary expenses.

The amount of employees' compensation and directors' remuneration for 2022 were \$5,951,876 and \$29,970, respectively, as resolved by the Board of Directors. The difference of (\$541,003) and \$176 between employees' compensation and directors' remuneration, respectively, as resolved by the Board of Directors and the amount recognized in the 2022 financial statements had been adjusted in the profit or loss for 2023. The employees' compensation will be distributed in the form of cash.

Information about employees' compensation and directors' remuneration of the Company as resolved by the shareholders during their meeting will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

C. For the three months ended March 31, 2023 and 2022, employees' compensation of UniCuisine was accrued at \$457 and \$485, respectively; while directors' and supervisors' remuneration was accrued at \$14 and \$13, respectively. The aforementioned amounts were recognized in salary expenses.

D. For the three months ended March 31, 2023, employees' compensation of Apm Communication was accrued at \$2,082; while directors' and supervisors' remuneration was accrued at \$139. The

aforementioned amounts were recognized in salary expenses. For the three months ended March 31, 2022, Apm Communication did not accrue employees' compensation and directors' and supervisors' remuneration due to the accumulated deficit.

- E. For the three months ended March 31, 2023 and 2022, Qun Hong Technology and Asia Pacific did not accrue employees' compensation and directors' and supervisors' remuneration due to the loss before tax or accumulated deficit.
- F. For the three months ended March 31, 2023, Subtron Technology did not accrue employees' compensation and directors' and supervisors' remuneration due to the loss before tax or accumulated deficit.
- G. For the three months ended March 31, 2023 and 2022, no employees' compensation and directors' and supervisors' remuneration was accrued by Hsin Yang Investment and UniFresh as they had no employees.

(33) Income tax

A. Income tax expense

Components of income tax expense:

	Three months ended March 31	
	2023	2022
Current tax:		
Current tax on profits for the year	\$ 953,413	\$ 1,654,491
Prior year income tax under estimation	-	23
Total current tax	953,413	1,654,514
Deferred tax:		
Origination and reversal of temporary differences	41,580 (41,784)
Effects of foreign exchange	(11,075)	(8,141)
Income tax expense	\$ 983,918	\$ 1,604,589

- B. The consolidated subsidiaries, Unimicron Technology (ShenZhen), Unimicron Technology (KunShan), Unimicron-FPC Technology (Kunshan), Unimicron Technology (SuZhou), Unimicron Touch, Unimicron Technology (Huangshi), Kunshan Dingchangxin, Unimicron-Carrier Technology (Huangshi), Suzhou Qunye, Kunshan Qunqi, UNIMICRON ELECTRONIC TESTING (KUNSHAN), Gobo Lighting Technology and Gobo Business Management are production type foreign investment enterprises, Unimicron Management (KunShan) and Hu Se Sn Li Managemnet Corp., Ltd. are domestic-invested enterprises established in the People's Republic of China, and therefore have been subject to the new income tax laws since January 1, 2008.
- C. The Company's, Subtron Technology, Qun Hong Technology's, Hsin Yang Investment's, UniCuisine's, UniFresh's, Apm Communication and Asia Pacific's income tax returns through 2021 have been assessed and approved by the Tax Authority.

(34) Earnings per share

	<u>Three months ended March 31, 2023</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 4,095,140</u>	<u>1,519,427</u>	<u>\$ 2.70</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 4,095,140	1,519,427	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation		9,977	
Employee restricted shares		<u>598</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 4,095,140</u>	<u>1,530,002</u>	<u>\$ 2.68</u>

Assuming that Hsin Yang Investment's and Subtron Technology's investments in the Company's shares are not considered as treasury shares, the hypothetical data is as follows:

	<u>Three months ended March 31, 2023</u>		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 4,095,140</u>	<u>1,520,694</u>	<u>\$ 2.69</u>
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 4,095,140	1,520,694	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation		9,977	
Employee restricted shares		<u>598</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 4,095,140</u>	<u>1,531,269</u>	<u>\$ 2.67</u>

	Three months ended March 31, 2022		
	<u>Amount after tax</u>	<u>Weighted average number of ordinary shares outstanding (shares in thousands)</u>	<u>Earnings per share (in dollars)</u>
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 5,666,681	1,472,686	\$ 3.85
<u>Diluted earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 5,666,681	1,472,686	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation		6,673	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 5,666,681	1,479,359	\$ 3.83

(35) Business combination

- A. On January 6, 2023, the Company acquired the remaining 68.05% equity interest in Subtron Technology through the issuance of new shares. Accordingly, the Group's comprehensive shareholding ratio in Subtron Technology increased from 31.95% to 100%. Subtron Technology specialises in the research, development and manufacture of substrates for 5G SiP, OCM, miniLED, various sensors and other particular applications. The Company expects to achieve synergies after the merger, such as complementing IC substrate technologies and products, integrating resources to accelerate major expansions and deploying the technology development of compound semiconductor substrates.
- B. The following summarises the consideration of new shares issued by Subtron Technology and the fair values of the assets acquired and liabilities assumed at the acquisition date:

	<u>January 6, 2023</u>
Purchase consideration	
Equity instruments	\$ 5,407,106
Fair value of equity interest in Subtron Technology Co., Ltd. held before the business combination	<u>2,361,479</u>
	<u>7,768,585</u>
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	1,387,157
Accounts receivable and notes receivable (including related parties), net	545,854
Inventories	388,237
Non-current financial assets at fair value through other comprehensive income	77,074
Investments accounted for under equity method	1,489,960
Property, plant and equipment	5,347,890
Investment property , net	879,727
Intangible assets	411,791
Other net assets	5,737
Bank borrowings	(1,992,408)
Accounts payable	(242,506)
Other payables	(754,405)
Deferred tax liabilities	(394,691)
Total identifiable net assets	<u>7,149,417</u>
Goodwill	<u>\$ 619,168</u>

- C. The fair value totaling \$5,407,106 of the 45,437,864 ordinary shares issued as the consideration paid for Subtron Technology was based on the published share price on January 5, 2023. Issuance cost of ordinary shares, \$246, was recognized in profit or loss for the period.
- D. The fair value of the acquired identifiable intangible assets was \$411,791 (including patents).
- E. The Group held 31.95% equity interest in Subtron Technology before the business combination and recognised a gain of \$885,407 arising from remeasuring at fair value.
- F. The sales revenue and net loss before tax contributed by Subtron Technology were \$525,312 and (\$147,040), respectively since the Group merged with Subtron Technology on January 6, 2023.

(36) Supplemental cash flow information

A. Investing activities with partial cash payments

	Three months ended March 31	
	2023	2022
Acquisition of property, plant and equipment	\$ 5,456,841	\$ 7,958,471
Add: Opening balance of payable on equipment	6,532,958	5,595,376
Opening balance of effect of business combinations	401,602	-
Less: Ending balance of notes payable	-	67,000
Ending balance of payable on equipment	(6,697,654)	(6,273,593)
Net exchange differences	5,473	44,729
Cash paid during the period	<u>\$ 5,699,220</u>	<u>\$ 7,391,983</u>

(37) Changes in liabilities from financing activities

	2023						
	Short-term borrowings	Short-term notes and bills payable	Bonds payable	Long-term borrowings	Construction payables on behalf of others	Lease liabilities	Liabilities from financing activities - gross
At January 1	\$ 7,645,409	\$ 300,000	\$ 10,990,807	\$ 15,983,230	\$ 803,127	\$ 1,558,287	\$ 37,280,860
Effect of business combinations	-	-	-	1,992,408	-	(97,609)	1,894,799
Changes in cash flow from financing activities	(3,002,003)	-	-	(715,720)	-	86,090	(3,803,813)
Changes in other non-cash items	-	-	666	-	-	11,118	11,784
Impact of changes in foreign exchange rate	23,539	-	-	24,015	3,733	8,544	59,831
At March 31	<u>\$ 4,666,945</u>	<u>\$ 300,000</u>	<u>\$ 10,991,473</u>	<u>\$ 17,283,933</u>	<u>\$ 806,860</u>	<u>\$ 1,394,250</u>	<u>\$ 35,443,461</u>
	2022						
	Short-term borrowings	Short-term notes and bills payable	Bonds payable	Long-term borrowings	Construction payables on behalf of others	Lease liabilities	Liabilities from financing activities - gross
At January 1	\$ 10,176,216	\$ 399,900	\$ 7,991,923	\$ 16,845,302	\$ 792,059	\$ 1,775,850	\$ 37,981,250
Changes in cash flow from financing activities	(3,352,101)	(49,925)	2,996,250	251,870	-	(105,327)	(259,233)
Changes in other non-cash items	-	-	635	-	-	102,073	102,708
Impact of changes in foreign exchange rate	127,369	-	-	133,375	29,968	11,018	301,730
At March 31	<u>\$ 6,951,484</u>	<u>\$ 349,975</u>	<u>\$ 10,988,808</u>	<u>\$ 17,230,547</u>	<u>\$ 822,027</u>	<u>\$ 1,783,614</u>	<u>\$ 38,126,455</u>

7. RELATED PARTY TRANSACTIONS

(1) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Company</u>
Maruwa Corporation	Investee held by the Company's second-tier subsidiary
Kunshan Besto Catering Management Co., Ltd.	Investee held by the Company's second-tier subsidiary
Yih Dar Technologies Co., Ltd.	The Company's investee
Shieh Yong Investment Co., Ltd.'s stocks (Shieh Yong)	The Company's management is this company's supervisor
United Microelectronics Corp. (UMC)	The Company's director
Gobo Lighting Technology Ltd.	The Company is its director (Note 2)
3D Circuit Taiwan Company Ltd.	The Company is its director (Note 1)
Unistars Corp.	The Company is its director (Note 1)
Advance Materials Corp. (Advance Materials)	The Company is its director
Emax Technology Co., Ltd.	The Company is its director
Unisense Technology Co., Ltd.	The Company is its director
Faraday Technology Corporation	The Company is its director
Unipoint Technology Co., Ltd. (Unipoint Technology)	The Company is its director
Yann Yuan Investment Co., Ltd. (Yann Yuan)	The Company is its director
Topoint Technology Co., Ltd. (Topoint Technology)	Unipoint Technology's parent company
Uniflex Technology Inc. (Uniflex Technology)	Same chairman
Subtron Technology Co., Ltd (Subtron Technology)	Same chairman (Note 2)
Uniflex Technology (JiangSu) Ltd.	Uniflex Technology's second-tier subsidiary
United Semiconductor (Xiamen) Co., Ltd.	Within the same group as UMC
Shanghai Topoint Precision Technology	Topoint Technology's subsidiary
Eminent Materials Corporation	Advance Materials' subsidiary
Suzhou AMC Technology Co., Ltd. (Suzhou AMC Technology)	Advance Materials' subsidiary

Note 1: In the process of liquidation, so there are no related party transactions during this period.

Note 2: The transactions with the Group were not included in the related party transactions as it became a consolidated subsidiary since the first quarter of 2023 due to the shares swap with Subtron Technology.

(2) Significant related party transactions and balances

A. Operating revenue and processing transaction:

	Three months ended March 31	
	2023	2022
- Key management personnel of the entities	\$ 5,911	\$ 15,994
- Other related parties and its subsidiaries	-	6,443
	<u>\$ 5,911</u>	<u>\$ 22,437</u>

Certain sales and processing transactions are purchased based on normal commercial terms and conditions.

B. Purchases and processing expense:

	Three months ended March 31	
	2023	2022
Purchases		
-Key management personnel of the entities and its subsidiaries	\$ 63,916	\$ 63,840
-Other related parties and its subsidiaries	-	21,362
-Related parties	-	141
	<u>\$ 63,916</u>	<u>\$ 85,343</u>
Processing cost		
-Key management personnel of the entities and its subsidiaries	\$ 20,368	\$ 59,731
-Other related parties and its subsidiaries	-	3,224
-Related parties	-	17
	<u>\$ 20,368</u>	<u>\$ 62,972</u>

Certain goods and processing services are purchased based on normal commercial terms and conditions. Payments are settled in 90 to 150 days and paid monthly.

C. Receivables from related parties, net

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Accounts receivable			
- Key management personnel of the entities	\$ 10,355	\$ 12,762	\$ 22,363
- Key management personnel of the company	-	3,725	-
- Other related parties and its subsidiaries	10	2,914	8,833
- Related parties	180	-	-
	<u>\$ 10,545</u>	<u>\$ 19,401</u>	<u>\$ 31,196</u>

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Other receivables:			
- Key management personnel of the entities and its subsidiaries	\$ 48,816	\$ 6,159	\$ 6,013
- Related parties	87	188	162
- Other related parties and its subsidiaries	-	45	36,919
	<u>\$ 48,903</u>	<u>\$ 6,392</u>	<u>\$ 43,094</u>

The above other receivables primarily arise from payments on behalf of others, lease transactions, and accounts receivable due from aforementioned related parties transferred to other receivables in accordance with the related regulations.

D. Payables to related parties:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Accounts payable:			
-Key management personnel of the entities and its subsidiaries	\$ 120,414	\$ 155,559	\$ 167,027
-Other related parties and its subsidiaries	-	37,847	36,729
-Related parties	-	-	165
	<u>\$ 120,414</u>	<u>\$ 193,406</u>	<u>\$ 203,921</u>
Other payables:			
-Key management personnel of the entities and its subsidiaries	\$ 23,251	\$ 29,547	\$ 32,555
-Other related parties and its subsidiaries	-	469	2,932
-Related parties	39	20	-
	<u>\$ 23,290</u>	<u>\$ 30,036</u>	<u>\$ 35,487</u>

The above other payables primarily arise from other companies in handling the Group's transactions on behalf of the Company.

E. Property transactions:

Acquisition of property, plant and equipment:	<u>Three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
-Key management personnel of the entities	<u>\$ -</u>	<u>\$ 26,040</u>

Disposal of property, plant and equipment:

	<u>Three months ended March 31</u>			
	<u>2023</u>		<u>2022</u>	
	<u>Disposal</u>	<u>Gain on</u>	<u>Disposal</u>	<u>Gain on</u>
	<u>proceeds</u>	<u>disposal</u>	<u>proceeds</u>	<u>disposal</u>
Disposals of property, plant and equipment-				
Other related parties	<u>\$ 3,590</u>	<u>(\$ 2,914)</u>	<u>\$ 34,262</u>	<u>(\$ 3,885)</u>

F. Lease transactions - lessee

(a) The Group leases land and other equipment from related parties. Rental contracts are typically made for periods of 1 to 10 years. The rentals are paid monthly, and the price is mutually agreed.

(b) Rent expense

	<u>2023</u>	<u>2022</u>
Rent expense		
-Key management personnel of the entities	\$ 1,385	\$ 8

(c) Lease liabilities

A. Outstanding balance

	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
-Other related parties	\$ -	\$ 125,916	\$ 136,233

B. Interest expense

	<u>2023</u>	<u>2022</u>
-Other related parties	\$ -	\$ 782

G. Other income and expenses

	<u>Three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
Rental income		
-Key management personnel of the entities		
Advance Materials	\$ 2,859	\$ 2,950
-Related parties	1,354	1,354
Miscellaneous income		
-Key management personnel of the entities		
Yann Yuan	42,000	-
-Related parties		
Shieh Yong	-	99,661
Others	32	32
	<u>\$ 46,245</u>	<u>\$ 103,997</u>

(a) The rentals are received monthly, and the price is mutually agreed.

(b) Miscellaneous income arise from the services provided to associates, dividend income and other miscellaneous income.

H. The Company's subsidiary, Unimicron Technology (SuZhou), signed a supplementary contract with Suzhou AMC Technology to transfer industrial land and plants. Refer to Notes 9F.

(3) Key management compensation

	<u>Three months ended March 31</u>	
	<u>2023</u>	<u>2022</u>
Salaries and other short-term employee benefits	\$ 105,288	\$ 210,267
Employee share-based payment	6,169	-
	<u>\$ 111,457</u>	<u>\$ 210,267</u>

8. PLEDGED ASSETS

The Company's assets pledged as collateral are as follows:

Pledged asset	Book value			Purpose
	March 31, 2023	December 31, 2022	March 31, 2022	
Demand deposit (shown as other current assets)	\$ 18,896	\$ -	\$ -	Guarantee for plant kick-off
Time deposit (shown as other current assets)	17,866	17,864	17,849	Guarantee for post-release duty payment
Time deposit (shown as non-current financial assets at amortized cost)	102,374	90,646	69,572	Customs duty guarantee, guarantee for bonded factory and guarantee for gas consumption used in production
Accounts receivable - pledged	-	-	344,733	Short-term borrowings
Land	1,754,830	713,692	713,692	Long and Short-term borrowings
Building and structures	6,057,760	5,061,948	1,887,401	Long and Short-term borrowings
Machinery and equipment	410,522	-	1,047,770	Long-term borrowings
Transportation equipment and other equipment	28,272	-	-	Long-term borrowings
	<u>\$ 8,390,520</u>	<u>\$ 5,884,150</u>	<u>\$ 4,081,017</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) As of March 31, 2023, December 31, 2022 and March 31, 2022, the Group has applied for non-cancellable letters of credit. The letters of credit for raw materials and equipment not yet imported amounted to \$2,760,160, \$2,533,889 and \$5,097,235, respectively.

(2) Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Property, plant and equipment	<u>\$ 5,267,434</u>	<u>\$ 3,436,980</u>	<u>\$ 4,245,412</u>

The aforementioned amounts do not include the commitments as described in item (4) below.

(3) Endorsements and guarantees

As of March 31, 2023, December 31, 2022 and March 31, 2022, in order to support subsidiaries to obtain the borrowing facilities, the endorsements and guarantees provided to subsidiaries are as follows:

	March 31, 2023	December 31, 2022	March 31, 2022
Unimicron-FPC Technology (Kunshan)	\$ 1,217,600	\$ 2,548,160	\$ 2,432,700
UHL	-	-	572,400
Unimicron Technology (SuZhou)	-	153,500	1,001,700
Unimicron Technology (KunShan)	-	-	232,538
Unimicron Technology (Huangshi)	2,156,167	2,456,000	1,466,775
Unimicron Technology (Shenzhen)	304,400	614,000	429,300

(4) On April 17, 2017, the Group signed an investment agreement involving the manufacture of new

types of electronic components and all types of printed circuit boards with the Huangshi Municipal People's Government of Hubei Province for the purpose of expanding its geographic footprint in the Mainland China market. On December 8, 2017, the Company's subsidiary Unimicron-Carrier Technology (Huangshi) signed a construction payment agreement with the Administrative Committee of the Economic and Technological Development Zone in Huangshi (the "Committee") and Huangshi CI-HU High-tech Development Company (CI-HU). Under the terms of the agreement, CI-HU will make payments for the construction of a carrier board plant on behalf of Unimicron-Carrier Technology (Huangshi). Once the construction of the plant is completed and accepted by Unimicron-Carrier Technology (Huangshi), CI-HU will be paid back in installments. As of December 31, 2022, construction payables amounted to RMB 36,377 thousand.

- (5) To cooperate with the environmental requirements of the Administrative Committee of Kunshan High-tech Industrial Development Zone, the Company's subsidiary, Unimicron Technology (KunShan), entered into a relocation agreement with Kunshan JIAHANG Asset Management Co., Ltd. on July 2, 2021 and expects to receive relocation compensation totalling RMB 551,026 thousand. As of March 31, 2023, the subsidiary has initially closed one of the plants and received the first installment of relocation compensation of RMB 165,308 thousand (shown as other non-current liabilities). In addition, due to the impact of Covid 19, Unimicron Technology (KunShan) entered into a supplementary agreement with Kunshan JIAHANG again on March 23, 2023 to adjust the relocation schedule. Accordingly, Unimicron Technology (KunShan) plans to close all of the plants by December 31, 2024 and transfer the land by June 30, 2025.
- (6) To increase production capacity, the Company's subsidiary, Unimicron Technology (SuZhou), entered into a land and plant transfer agreement with Suzhou AMC Technology Co., Ltd. on December 17, 2021 for a total price of RMB 136,200 thousand. As of March 31, 2023, the subsidiary has made a down payment of RMB 23,620 thousand as agreed. In addition, Unimicron Technology (SuZhou) entered into a 'Suzhou Industrial Park Industrial Land Renewal Supervision Agreement' with the Administrative Committee of the High-end Manufacturing and International Trade Zone in Suzhou Industrial Park on January 27, 2022 due to the change of ownership of industrial land. Subsequently, Suzhou AMC Technology Co., Ltd. is involved in a lawsuit with its directors relative to the trading target. On June 7, 2022, this company's parent company, Advance Materials Corp., had published significant news that Suzhou Industrial Park People's Court (The Court) approved to release the seizure of the land and plant which were registered under the name of Suzhou AMC Technology Co., Ltd. Moreover, on September 20, 2022, in accordance with the "Company Law of the People's Republic of China and the Company's Articles of Incorporation", in order to amend the meeting procedures of the Board of Directors, the Board of Directors held a special meeting to approve "Suggestion of activating the Company's land, plant and other property" and resolved the transfer of land and plant to Unimicron Technology (SuZhou). On January 13, 2023, the subsidiary of Advance Materials Corp., AMC Holding Limited, signed the settlement agreement with the plaintiff of the lawsuit and asked AMC Holding Limited to withdraw the lawsuit. On January 18, 2023, Suzhou

AMC Technology Co., Ltd. had received the notice of orders that the Court approved the withdrawal of the plaintiff. Additionally, in order to solve a part of price in the settlement agreement of Suzhou AMC Technology Co., Ltd., on February 9, 2023, Unimicron Technology (SuZhou) signed a supplementary contract with that company to transfer industrial land and plants and amended the payment schedule of the second payment as per agreement of Unimicron Technology (SuZhou) that after receiving the notice of advance payment from Suzhou AMC Technology Co., Ltd., Unimicron Technology (SuZhou) will make an advance payment of RMB 10 million which was included in the second transfer price to Suzhou AMC Technology Co., Ltd., and the schedule of remaining payments will remain unchanged. The transfer date will be subsequently determined based on the lawsuit progress of Suzhou AMC Technology Co., Ltd.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

A. In line with the development of the Group's business, on April 24, 2023, the Board of Directors of the Company's subsidiaries, UniBest, SI and UniRuwel approved for UniBest to extend a loan to SI in the amount of US\$12,000 thousand. SI will then indirectly invest in U Germany through UniRuwel in the amount of EUR 10,000 thousand. The source of above capital was the capital increase of UniBest amounting to US\$45,600 thousand as approved by the Company's Board of Directors on April 25, 2023.

B. In line with the development of the Group's business, on April 25, 2023, the Board of Directors of the Company approved to increase capital in UniWonderful in the amount of US\$10,000 thousand.

C. In line with the development of the Group's business, the Company's subsidiary, UniTH, signed a contract with JCK INTERNATIONAL PUBLIC COMPANY LIMITED as resolved by the Board of Directors on April 21, 2023, and acquired industrial land located in TFD Industrial Estate 2, Chachoengsao Province, Thailand. The transaction amount was THB 1,232,426 thousand.

12. OTHERS

(1) Capital management

There was no significant change in the reporting period. Refer to Note 12 in the consolidated financial statements for the year ended December 31, 2022.

(2) Financial instruments

A. Financial instruments by category

<u>Financial assets</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Financial assets at fair value through profit or loss	\$ 6,632,701	\$ 6,007,662	\$ 7,286,734
Financial assets at fair value through other comprehensive income	76,100	29,327	35,783
Financial assets at amortized cost (Note)	<u>93,612,752</u>	<u>95,218,431</u>	<u>73,672,660</u>
	<u>\$ 100,321,553</u>	<u>\$ 101,255,420</u>	<u>\$ 80,995,177</u>
<u>Financial liabilities</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2022</u>
Financial liabilities at fair value through profit or loss	\$ 40,430	\$ 10,455	\$ 107,760
Financial liabilities at amortized cost (Note)	61,710,976	68,338,271	65,080,569
Lease liabilities	<u>1,394,250</u>	<u>1,558,287</u>	<u>1,783,614</u>
	<u>\$ 63,145,656</u>	<u>\$ 69,907,013</u>	<u>\$ 66,971,943</u>

Note: Financial assets at amortised cost include cash and cash equivalents, notes and accounts receivable, net (including related parties), other receivables, restricted time deposits (shown as other current assets) and non-current financial assets at amortised cost. Financial liabilities at amortised cost include short-term borrowings, short-term notes and bills payable, notes and accounts payable (including related parties), other payables, bonds payable and long-term borrowings (including current portion).

B. Financial risk management policies

There was no significant change in the reporting period. Refer to Note 12 in the consolidated financial statements for the year ended December 31, 2022.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group hedges foreign exchange rate by using forward exchange contracts, interest rate swaps and futures and hybrid contract does not adopt hedging accounting. Details of financial assets or liabilities at fair value through profit or loss are provided in Notes 6(2) and (15) .
- ii. The Group's sales are primarily denominated in USD, and its purchases are denominated in NTD and RMB, as well as USD, JPY, EUR, and other currencies. The fair value changes according to fluctuations in market exchange rates. However, the potential risks of certain positions are avoided by entering into forward foreign exchange, interest rate swaps and commodity future transactions.

iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, JPY, EUR and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

				March 31, 2023		
(Foreign currency: functional currency)	Foreign currency amount			Book value		
	(In thousands)	Exchange rate		(NTD)		
<u>Financial assets</u>						
<u>Monetary items</u>						
USD:NTD	\$ 593,395	30.44	\$	18,062,944		
JPY:NTD	2,243,124	0.2288		513,227		
USD:CNY	143,143	6.8786		4,357,273		
JPY:CNY	1,459,683	0.0517		333,975		
CNY:NTD	119,486	4.4253		528,761		
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD:NTD	85,902	30.44		2,614,857		
JPY:NTD	6,597,691	0.2288		1,509,552		
USD:CNY	209,963	6.8786		6,391,274		
EUR:NTD	5,480	33.15		181,662		
				December 31, 2022		
(Foreign currency: functional currency)	Foreign currency amount			Book value		
	(In thousands)	Exchange rate		(NTD)		
<u>Financial assets</u>						
<u>Monetary items</u>						
USD:NTD	\$ 796,601	30.70	\$	24,455,651		
JPY:NTD	5,024,179	0.2326		1,168,624		
USD:CNY	152,953	6.9696		4,695,657		
JPY:CNY	1,432,686	0.0528		333,243		
CNY:NTD	165,106	4.4048		727,259		
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD:NTD	121,155	30.70		3,719,459		
JPY:NTD	10,583,993	0.2326		2,461,837		
USD:CNY	240,006	6.9696		7,368,184		

				March 31, 2022	
(Foreign currency: functional currency)	Foreign currency amount				Book value
	(In thousands)	Exchange rate			(NTD)
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	\$ 710,454	28.62	\$	20,333,193	
JPY:NTD	7,074,389	0.2354		1,665,311	
USD:CNY	203,749	6.3480		5,831,296	
CNY:NTD	79,252	4.5085		357,308	
CNY:USD	102,594	0.1575		462,545	
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	132,938	28.62		3,804,686	
JPY:NTD	13,804,940	0.2354		3,249,683	
USD:CNY	186,580	6.3480		5,339,920	
EUR:NTD	4,510	31.92		143,959	
CNY:USD	101,472	0.1575		457,487	

iv. The total exchange (loss) gain, including realized and unrealized arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2023 and 2022 amounted to (\$226,644) and \$968,700, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variation:

				Three months ended March 31, 2023		
				Sensitivity analysis		
(Foreign currency: functional currency)		Degree of variation		Effect on	Effect on other	
				profit or loss	comprehensive income	
<u>Financial assets</u>						
<u>Monetary items</u>						
USD:NTD	1%	\$	144,504	\$	-	
JPY:NTD	1%		4,106		-	
USD:CNY	1%		34,858		-	
JPY:CNY	1%		2,672		-	
CNY:NTD	1%		4,230		-	
<u>Financial liabilities</u>						
<u>Monetary items</u>						
USD:NTD	1%		20,919		-	
JPY:NTD	1%		12,076		-	
USD:CNY	1%		51,130		-	
EUR:NTD	1%		1,453		-	

Three months ended March 31, 2022				
Sensitivity analysis				
(Foreign currency: functional currency)	Degree of variation		Effect on profit or loss	Effect on other comprehensive income
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	162,666	\$ -
JPY:NTD	1%		13,322	-
USD:CNY	1%		46,650	-
CNY:NTD	1%		2,858	-
CNY:USD	1%		3,700	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%		30,437	-
JPY:NTD	1%		25,997	-
USD:CNY	1%		42,719	-
EUR:NTD	1%		1,152	-
CNY:USD	1%		3,660	-

Price risk

- i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio and invests in the familiar industries.
- ii. The Group's investments in equity securities comprise shares and closed-end funds issued by the domestic or foreign companies. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the three months ended March 31, 2023 and 2022 would have increased by \$53,062 and \$58,294, respectively as a result of gains/losses on equity securities classified as at fair value through profit or loss; increased by \$665 and \$286, respectively as a result of gains/losses on equity securities classified as at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

The Group has short-term borrowings and long-term borrowings (including current portion) with floating rate whose long-term and short-term effective rate would change with market interest, and then affect the future cash flow. Every 1% increase in the market interest rate would result in an increase of \$219,509 in the cash outflow.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost and stated at fair value through profit or loss.
- ii. The Group manages its credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for credit investigation and assessment of the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal ratings in accordance with limits set by the management. The utilization of credit limits is regularly monitored.
- iii. The Group adopts the following assumption under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.
- iv. The Group adopts the assumption under IFRS 9, that is, the default occurs when the contract payments are past due over 90 days.
- v. The Group classifies customer's accounts receivable by applying the simplified approach to estimate expected credit loss under the provision matrix basis.
- vi. The Group used the forecastability to adjust historical and timely information to assess the default possibility of notes and accounts receivable. As for March 31, 2023, December 31, 2022 and March 31, 2022, the provision matrix is as follows:

	Not past due	1~30 days past due	31~60 days past due	61~90 days past due	Over 90 days past due	Total
<u>At March 31, 2023</u>						
Expected loss rate	0~5%	20%	20%	20%	100%	
Total book value	\$ 20,751,094	\$ 412,526	\$ 8,462	\$ 4,165	\$ 25,915	\$ 21,202,162
Loss allowance	165,804	82,505	1,692	833	25,915	276,749
	Not past due	1~30 days past due	31~60 days past due	61~90 days past due	Over 90 days past due	Total
<u>At December 31, 2022</u>						
Expected loss rate	0~5%	20%	20%	20%	100%	
Total book value	\$ 28,853,019	\$ 58,620	\$ 8,768	\$ 10,022	\$ 17,659	\$ 28,948,088
Loss allowance	188,010	11,724	1,754	2,004	17,659	221,151

	Not past due	1~30 days past due	31~60 days past due	61~90 days past due	Over 90 days past due	Total
<u>At March 31, 2022</u>						
Expected loss rate	0~5%	20%	20%	20%	100%	
Total book value	\$ 24,172,910	\$ 68,106	\$ 5,172	\$ 1,206	\$ 11,829	\$ 24,259,223
Loss allowance	89,863	13,621	1,034	241	11,829	116,588

vii. Movements in relation to the Group applying the simplified approach to provide loss allowance for accounts receivable and other receivables are as follows (including relationship):

	2023	
	Accounts receivable	Other receivables
At January 1	\$ 221,151	\$ 39,229
Provision for impairment loss	31,167	770
Write-offs	(14,205)	-
Effect of foreign exchange	38,636	(31,381)
At March 31	<u>\$ 276,749</u>	<u>\$ 8,618</u>
	2022	
	Accounts receivable	Other receivables
At January 1	\$ 112,963	\$ 39,990
Provision for impairment loss	650	655
Effect of foreign exchange	2,975	(236)
At March 31	<u>\$ 116,588</u>	<u>\$ 40,409</u>

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Company treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets.
- ii. Listed stocks invested by the Group all have active market, they can be rapidly sold at the price which is close to fair value, and will not have significant liquidity risk. The Group's investment in emerging stocks and unlisted stocks all have no active market, thus, they are expected having significant liquidity risk.
- iii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial

liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

<u>Non-derivative financial liabilities</u>		Between 1 year		
March 31, 2023	<u>Less than 1 year</u>	<u>and 3 years</u>	<u>Over 3 years</u>	
Bonds payable	\$ 81,594	\$ 163,250	\$ 11,063,028	
Lease liabilities	300,624	544,609	818,067	
Long-term borrowings (including current portion)	2,817,609	11,579,958	3,730,684	
<u>Non-derivative financial liabilities</u>		Between 1 year		
December 31, 2022	<u>Less than 1 year</u>	<u>and 3 years</u>	<u>Over 3 years</u>	
Bonds payable	\$ 80,595	\$ 163,227	\$ 11,107,149	
Lease liabilities	300,036	541,096	868,105	
Long-term borrowings (including current portion)	2,440,416	11,247,013	3,079,178	
<u>Non-derivative financial liabilities</u>		Between 1 year		
March 31, 2022	<u>Less than 1 year</u>	<u>and 3 years</u>	<u>Over 3 years</u>	
Bonds payable	\$ 80,586	\$ 163,209	\$ 11,144,662	
Lease liabilities	377,326	530,680	1,055,936	
Long-term borrowings (including current portion)	2,530,998	12,338,573	2,655,415	

Except for the above, the non-derivative and derivative financial liabilities of the Group are all due within one year.

- (d) The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

- A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included with in Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

- B. Fair value information of investment property at cost is provided in Note 6(11).
C. Financial instruments not measured at fair value.

The carrying amounts of cash and cash equivalents, notes and accounts receivable, net (including related parties), other receivables, other current assets, non-current financial assets at amortised cost, short-term borrowings, short-term notes and bills payable, notes and accounts payable (including related parties), other payables, bonds payable and long-term borrowings (including current portion) are approximate to their fair values.

D. The related information on financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

March 31, 2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 67,876	\$ -	\$ 6,549,640	\$ 6,617,516
Foreign closed-end fund	-	-	15,185	15,185
Financial assets at fair value through other comprehensive income				
Equity securities	15,807	-	60,293	76,100
	<u>\$ 83,683</u>	<u>\$ -</u>	<u>\$ 6,625,118</u>	<u>\$ 6,708,801</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Cross currency swap	\$ -	\$ 40,430	\$ -	\$ 40,430
December 31, 2022	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 63,116	\$ -	\$ 5,922,794	\$ 5,985,910
Debt securities	-	-	6,324	6,324
Foreign closed-end fund	-	-	15,428	15,428
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	29,327	29,327
	<u>\$ 63,116</u>	<u>\$ -</u>	<u>\$ 5,973,873</u>	<u>\$ 6,036,989</u>
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Cross currency swap	\$ -	\$ 10,455	\$ -	\$ 10,455

March 31, 2022	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Equity securities	\$ 92,725	\$ -	\$ 7,160,838	\$ 7,253,563
Debt securities	-	-	5,963	5,963
Foreign closed-end fund	-	-	27,208	27,208
Financial assets at fair value through other comprehensive income				
Equity securities	-	-	35,783	35,783
	<u>\$ 92,725</u>	<u>\$ -</u>	<u>\$ 7,229,792</u>	<u>\$ 7,322,517</u>
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Cross currency swap	<u>\$ -</u>	<u>\$ 107,760</u>	<u>\$ -</u>	<u>\$ 107,760</u>

E. The methods and assumptions the Group used to measure fair value are as follows:

- (a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>
Market quoted price	Closing price

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.
- (c) Forward exchange contracts and cross currency swap are usually valued based on the current forward exchange rate.
- (d) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, liquidity risk etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (e) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's

credit quality.

F. For the three months ended March 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

G. The following chart is the movement of Level 3 for the three months ended March 31, 2023 and 2022:

	2023			
	Equity instruments	Debt instruments	Fund instruments	Total
At January 1	\$ 5,952,121	\$ 6,324	\$ 15,428	\$ 5,973,873
Effect of business combination	31,034	-	-	31,034
Disposal during the period	(4,074)	-	-	(4,074)
Recorded as non-operating income and expenses	631,278	(6,258)	(243)	624,777
Recorded as other comprehensive income	44	-	-	44
Effect of exchange rate changes	(470)	(66)	-	(536)
At March 31	<u>\$ 6,609,933</u>	<u>\$ -</u>	<u>\$ 15,185</u>	<u>\$ 6,625,118</u>
	2022			
	Equity instruments	Debt instruments	Fund instruments	Total
At January 1	\$ 8,035,410	\$ 5,710	\$ 35,779	\$ 8,076,899
Recorded as non-operating income and expenses	(836,875)	-	(8,571)	(845,446)
Recorded as other comprehensive income	(4,150)	-	-	(4,150)
Effect of exchange rate changes	2,236	253	-	2,489
At March 31	<u>\$ 7,196,621</u>	<u>\$ 5,963</u>	<u>\$ 27,208</u>	<u>\$ 7,229,792</u>

H. For the three months ended March 31, 2023 and 2022, there was no transfer into or out from Level 3.

I. Investment segment is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

Non-derivative equity instrument:	Fair value at March 31, 2023	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	\$ 167,821	Market comparable companies	Price to book ratio multiple, enterprise value to EBITA multiple	The higher the multiple and control premium, the higher the fair value
	4,112	Discounted cash flow	Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating margin	The higher the weighted average cost of capital and discount for lack of control, the lower the fair value; the higher the long-term revenue growth rate and long-term pre-tax operating margin, the higher the fair value
	6,438,000	Net asset value	Discount for lack of marketability	The higher the net asset value, the higher the fair value; the higher the discount for marketability, the lower the fair value
Foreign closed-end fund	15,185	Net asset value	N/A	The higher the net asset value, the higher the fair value

Non-derivative equity instrument:	Fair value at <u>December 31, 2022</u>	Valuation <u>technique</u>	Significant <u>unobservable input</u>	Relationship of inputs <u>to fair value</u>
Unlisted shares	\$ 166,068	Market comparable companies	Price to book ratio multiple, enterprise value to EBITA multiple	The higher the multiple and control premium, the higher the fair value
	9,139	Discounted cash flow	Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating margin	The higher the weighted average cost of capital and discount for lack of control, the lower the fair value; the higher the long-term revenue growth rate and long-term pre-tax operating margin, the higher the fair value
	5,776,914	Net asset value	Discount for lack of marketability	The higher the net asset value, the higher the fair value; the higher the discount for marketability, the lower the fair value
Foreign closed-end fund	15,428	Net asset value	N/A	The higher the net asset value, the higher the fair value
Non-derivative debt instrument:				
Corporate bond	6,324	Net asset value	Discount for lack of marketability	The higher the net asset value, the higher the fair value; the higher the discount for marketability, the lower the fair value

Non-derivative equity instrument:	Fair value at March 31, 2022	Valuation technique	Significant unobservable input	Relationship of inputs to fair value
Unlisted shares	\$ 217,049	Market comparable companies	Price to book ratio multiple, enterprise value to EBITA multiple	The higher the multiple and control premium, the higher the fair value
	10,117	Discounted cash flow	Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating margin	The higher the weighted average cost of capital and discount for lack of control, the lower the fair value; the higher the long-term revenue growth rate and long-term pre-tax operating margin, the higher the fair value
	6,969,455	Net asset value	Discount for lack of marketability	The higher the net asset value, the higher the fair value; the higher the discount for marketability, the lower the fair value
Foreign closed-end fund	27,208	Net asset value	N/A	The higher the net asset value, the higher the fair value
Non-derivative debt instrument:				
Corporate bond	5,963	Net asset value	Discount for lack of marketability	The higher the net asset value, the higher the fair value; the higher the discount for marketability, the lower the fair value

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

				March 31, 2023			
				Recognized in profit or loss		Recognized in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Price to book ratio multiple, enterprise value to EBITA multiple	±1%		\$ 917	(\$ 917)	\$ 761	(\$ 761)
Equity instrument	Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating margin	±1%		41	(41)	-	-
Equity	Net asset value	±1%		64,380	(64,380)	-	-
Foreign closed-end fund	Net asset value	±1%		152	(152)	-	-
				<u>\$ 65,490</u>	<u>(\$ 65,490)</u>	<u>\$ 761</u>	<u>(\$ 761)</u>
				December 31, 2022			
				Recognized in profit or loss		Recognized in other comprehensive income	
		Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets							
Equity instrument	Price to book ratio multiple, enterprise value to EBITA multiple	±1%		\$ 1,368	(\$ 1,368)	\$ 293	(\$ 293)
Equity instrument	Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating margin	±1%		91	(91)	-	-
Equity	Net asset value	±1%		57,769	(57,769)	-	-
Foreign closed-end fund	Net asset value	±1%		154	(154)	-	-
				<u>\$ 59,382</u>	<u>(\$ 59,382)</u>	<u>\$ 293</u>	<u>(\$ 293)</u>

			March 31, 2022			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple, enterprise value to EBITA multiple	±1%	\$ 1,812	(\$ 1,812)	\$ 358	(\$ 358)
Equity instrument	Long-term revenue growth rate, weighted average cost of capital, long-term pre-tax operating margin	±1%	101	(101)	-	-
Equity	Net asset value	±1%	69,695	(69,695)	-	-
Foreign closed-end fund	Net asset value	±1%	272	(272)	-	-
			<u>\$ 71,880</u>	<u>(\$ 71,880)</u>	<u>\$ 358</u>	<u>(\$ 358)</u>

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

In accordance with “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, the Company’s significant transactions for the three months ended March 31, 2023 are as follows. For disclosure of investees, certain financial statements of investees were audited by independent auditors, and the following inter-company transactions within the Group were eliminated when preparing the consolidated statements. Following disclosure information is for reference only.

- A. Loans to others: Refer to table 1.
- B. Provision of endorsements and guarantees to others: Refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company’s paid-in capital: Refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Refer to table 5.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 6.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Refer to table 7.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2), 6(15) and 12(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 8.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 9.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 10.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 11.

(4) Major shareholders information

Major shareholders information: Refer to table 12.

14. SEGMENT INFORMATION

(1) General information

The Board of Directors considers the business from a geographic perspective, and the reportable operating segments primarily consist of the regions of Taiwan and Mainland China. Other operating segments do not meet reporting requirements, and their operating results are reported in aggregate.

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(2) Information about segment profit or loss, assets and liabilities

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Three months ended March 31, 2023

	<u>Taiwan</u>	<u>Mainland China</u>	<u>Others</u>	<u>Total</u>
Segment revenue				
Revenue from external customers	\$ 18,871,456	\$ 6,882,902	\$ 811,848	\$ 26,566,206
Inter-segment revenue	324,977	2,951,698	64,463	3,341,138
	<u>\$ 19,196,433</u>	<u>\$ 9,834,600</u>	<u>\$ 876,311</u>	<u>\$ 29,907,344</u>
Segment income	<u>\$ 4,418,992</u>	<u>\$ 1,250,250</u>	<u>\$ 228,978</u>	<u>\$ 5,898,220</u>

Three months ended March 31, 2022

	<u>Taiwan</u>	<u>Mainland China</u>	<u>Others</u>	<u>Total</u>
Segment revenue				
Revenue from external customers	\$ 21,803,985	\$ 8,162,959	\$ 744,049	\$ 30,710,993
Inter-segment revenue	473,931	3,147,991	123,517	3,745,439
	<u>\$ 22,277,916</u>	<u>\$ 11,310,950</u>	<u>\$ 867,566</u>	<u>\$ 34,456,432</u>
Segment income (loss)	<u>\$ 7,199,743</u>	<u>\$ 1,611,899</u>	<u>\$ 638,228</u>	<u>\$ 9,449,870</u>

(3) Reconciliation for segment income (loss)

	Three months ended March 31, 2023	Three months ended March 31, 2022
Reportable segments	\$ 5,898,220	\$ 9,449,870
Other segments income/(loss)	(721,856)	(1,958,825)
Income/(loss) before tax from continuing operations	<u>\$ 5,176,364</u>	<u>\$ 7,491,045</u>

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Unimicron Technology Corp. and subsidiaries

Loans to others

For the three months ended March 31, 2023

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the three months ended March 31, 2023	Balance at March 31, 2023	Actual amount drawn down	Interest rate	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 7)(Note 9)	Ceiling on total loans granted (Note 7)(Note 9)		Note
					(Note 3)	(Note 8)	(Note 3)	(Note 8)					Item	Value		(Note 7)	(Note 9)	
0	The Company	Smart Idea Holdings Limited	Other receivables	Y	\$ 620,140	\$ -	\$ -	-	2	\$ -	Operation needs	\$ -	-	\$ -	\$ 38,111,454	\$ 38,111,454		
0	The Company	Unimicron Germany GmbH	Other receivables	Y	1,902,672	1,829,880	1,247,103	3.03%	2	-	Operation needs	-	-	-	38,111,454	38,111,454		
0	The Company	Unimicron JAPAN Co., Ltd.	Other receivables	Y	2,089,144	2,068,352	1,194,336	1.10%~1.20%	2	-	Operation needs	-	-	-	38,111,454	38,111,454		
1	Unimicron Technology (KunShan) Corp.	Kunshan Dingchangxin Electronic Technology Co., Ltd.	Other receivables	Y	1,103,228	1,097,474	-	-	2	-	Operation needs	-	-	-	5,341,110	5,341,110		
1	Unimicron Technology (KunShan) Corp.	UNIMICRON ELECTRONIC TESTING (KUNSHAN) CORP.	Other receivables	Y	311,395	309,771	-	-	2	-	Operation needs	-	-	-	5,341,110	5,341,110		
1	Unimicron Technology (KunShan) Corp.	Unimicron-FPC Technology (Kunshan) Inc.	Other receivables	Y	249,116	247,817	247,817	1.17%	2	-	Operation needs	-	-	-	5,341,110	5,341,110		
2	Unimicron Technology (SuZhou) Corp.	Suzhou Qunye Enterprise Management Co., Ltd.	Other receivables	Y	310,710	309,090	309,090	3.53%	2	-	Operation needs	-	-	-	1,508,600	1,508,600		
3	Unimicron Technology (SuZhou) Corp.	Kunshan Qunqi Technology Co., Ltd.	Other receivables	Y	444,850	442,530	-	-	2	-	Operation needs	-	-	-	7,055,009	7,055,009		
3	UniBest Holding Limited	Unimicron-Carrier Technology (Huangshi) Inc.	Other receivables	Y	889,700	885,060	442,530	1.53%	2	-	Operation needs	-	-	-	7,055,009	7,055,009		
4	UniBest Holding Limited	Smart Idea Holdings Limited	Other receivables	Y	2,589,100	2,587,400	2,587,400	5.00%~5.25%	2	-	Operation needs	-	-	-	4,083,444	4,083,444		
4	UniBest Holding Limited	Unimicron (SZ) Trading Limited	Other receivables	Y	243,680	243,520	106,540	5.00%	2	-	Operation needs	-	-	-	10,208,609	10,208,609		
4	UniBest Holding Limited	UniGreat Holding Limited	Other receivables	Y	365,520	365,280	365,280	5.00%	2	-	Operation needs	-	-	-	10,208,609	10,208,609		
4	UniBest Holding Limited	Unimicron Germany GmbH	Other receivables	Y	696,150	696,150	696,150	3.30%	2	-	Operation needs	-	-	-	10,208,609	10,208,609		
5	UniWonderful Holding Limited	Unimicron-FPC Technology (Kunshan) Inc.	Other receivables	Y	1,309,780	1,308,920	1,308,920	5.25%	2	-	Operation needs	-	-	-	2,693,343	2,693,343		

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1) The Company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Fill in the name of account in which the loans are recognised, such as receivables-related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3: Fill in the maximum outstanding balance of loans to others during the three months ended March 31, 2023.

Note 4: The column of 'Nature of loan' shall fill in

(1) Business transaction is 1.

(2) Short-term financing is 2.

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan is for short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company's "Procedures for Provision of Loans", and state each individual party to which the loans have been provided and the calculation for ceiling on total loans granted in the footnote.

Note 8: The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

Note 9: The foreign subsidiary that was directly or indirectly wholly owned by the Company was not limited by above restriction.

Unimicron Technology Corp. and subsidiaries
Provision of endorsements and guarantees to others
For the three months ended March 31, 2023

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Endorser/guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3) (Note 8)	Maximum outstanding endorsement/ guarantee amount as of March 31, 2023 (Note 4)	Outstanding endorsement/ guarantee amount as of March 31, 2023 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)(Note 8)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements / guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Relationship with the endorser/ guarantor (Note 2)	Company name											
0	The Company	Unimicron-FPC Technology (Kunshan) Inc.	2	\$ 28,583,591	\$ 3,807,500	\$ 3,348,400	\$ 1,217,600	\$ -	3.51%	\$ 47,639,318	Y	N	Y	
0	The Company	Unimicron Technology (ShenZhen) Corp.	2	28,583,591	913,800	913,200	304,400	-	0.96%	47,639,318	Y	N	Y	
0	The Company	Unimicron Technology (SuZhou) Corp.	2	28,583,591	2,102,100	913,200	-	-	0.96%	47,639,318	Y	N	Y	
0	The Company	Unimicron Technology (KunShan) Corp.	2	28,583,591	913,800	913,200	-	-	0.96%	47,639,318	Y	N	Y	
0	The Company	Unimicron Technology (Huangshi) Corp.	2	28,583,591	3,046,000	3,044,000	2,156,167	-	3.19%	47,639,318	Y	N	Y	
0	The Company	Smart Idea Holding Limited	2	28,583,591	1,523,000	1,522,000	-	-	1.60%	47,639,318	Y	N	N	
0	The Company	Unimicron-Carrier Technology (Huangshi) Inc.	2	28,583,591	1,523,000	1,522,000	-	-	1.60%	47,639,318	Y	N	Y	
0	The Company	UniGreat Holding Limited	2	28,583,591	304,600	-	-	-	-	47,639,318	Y	N	N	
0	The Company	Unimicron (SZ) Trading Limited	2	28,583,591	304,600	304,400	-	-	0.32%	47,639,318	Y	N	N	
0	The Company	Unimicron (KS) Trading Limited	2	28,583,591	304,600	304,400	-	-	0.32%	47,639,318	Y	N	N	
0	The Company	UniBest Holding Limited	2	28,583,591	1,066,100	1,065,400	-	-	1.12%	47,639,318	Y	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

- (1) The Company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:

- (1). Having business relationship.
- (2). The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3). The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4). The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5). Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6). Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7). Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: Fill in limit on endorsements/guarantees provided for a single party and ceiling on total amount of endorsements/guarantees provided as prescribed in the endorser/guarantor company's "Procedures for Provision of Endorsements and Guarantees", and state each individual party to which the endorsements/guarantees have been provided and the calculation for ceiling on total amount of endorsements/guarantees provided in the footnote.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Fill in the amount approved by the Board of Directors or the chairman if the chairman has been authorised by the Board of Directors based on subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

Note 8: In accordance with the Company's "Procedures for Provision of Endorsements and Guarantees", limit on total endorsements granted by the Company is 50% of the Company's net assets. Limit on total endorsements to a single party is 20% of the Company's net assets. The Ceiling of the Company's total endorsements/ guaranteed is 50% of the Company's net assets.

Unimicron Technology Corp. and subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
March 31, 2023

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of March 31, 2023				Footnote (Note 4)
				Number of shares	Book value (Note 3)	Ownership (%)	Fair value	
The Company	Unitech Capital Inc.'s stocks	Investee of United Microelectronics Corp.	Financial assets at fair value through profit or loss-non-current	6,500,000	\$ 138,509	13.00%	\$ 138,509	
The Company	Shieh Yong Investment Co., Ltd.'s stocks	The Company's management is this company's supervisor	Financial assets at fair value through profit or loss-non-current	367,498,772	2,938,393	16.67%	2,938,393	
The Company	Shihlien Fine Chemicals Co., Ltd.'s stocks	None	Financial assets at fair value through profit or loss-non-current	12,778,831	40,852	4.92%	40,852	
The Company	Emax Tech Co., Ltd.'s stocks	The Company is the company's director	Financial assets at fair value through profit or loss-non-current	1,526,996	56,887	4.52%	56,887	
The Company	Unistars Corp.'s stocks	The Company is the company's director	Financial assets at fair value through profit or loss-non-current	3,820,779	-	6.93%	-	
The Company	PI R&D Co., Ltd.'s stocks	The Company's second-tier subsidiary is the company's director	Financial assets at fair value through profit or loss-non-current	8,000	-	0.20%	-	
The Company	TNP Small/Medium Size & Venture Enterprises Growth Promotion Investment Limited Partnership funds	None	Financial assets at fair value through profit or loss-non-current	310	15,185	6.38%	15,185	
The Company	Trillion Science Inc.'s stocks	None	Financial assets at fair value through profit or loss-non-current	4,666,666	-	9.96%	-	
The Company	Yann Yuan Investment Co., Ltd.'s stocks	The Company is the company's director	Financial assets at fair value through profit or loss-non-current	60,000,000	3,295,582	11.64%	3,295,582	
The Company	Eminent Materials Corporation's stocks	The Company is the company's director	Financial assets at fair value through profit or loss-non-current	1,000,000	-	16.67%	-	
The Company	Eagle Materials Technology Co., Ltd	None	Financial assets at fair value through profit or loss-non-current	-	2,750	-	2,750	
The Company	Pomiran Metalization Research Co., Ltd.'s stocks	None	Financial assets at fair value through profit or loss-non-current	2,000,000	8,153	6.21%	8,153	
The Company	Faraday Technology Corp.'s stocks	The Company is the company's director	Financial assets at fair value through profit or loss-current	120,000	23,580	0.05%	23,580	
Hsin Yang Investment Corp.	Shihlien Fine Chemicals Co., Ltd.'s stocks	None	Financial assets at fair value through profit or loss-non-current	5,123,771	16,357	1.97%	16,357	
Hsin Yang Investment Corp.	Stack Devices Corporation's stocks	None	Financial assets at fair value through profit or loss-non-current	76,626	-	0.12%	-	
Hsin Yang Investment Corp.	Ocean Net Inc.'s stocks	None	Financial assets at fair value through profit or loss-non-current	91,575	-	9.16%	-	
Hsin Yang Investment Corp.	Solargate Technology Croporation's stocks	None	Financial assets at fair value through profit or loss-non-current	30,769	-	0.51%	-	
Hsin Yang Investment Corp.	Ability I Venture Capital Corporation's stocks	None	Financial assets at fair value through profit or loss-non-current	-	-	-	-	Note 5

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of March 31, 2023				Footnote (Note 4)
				Number of shares	Book value (Note 3)	Ownership (%)	Fair value	
Hsin Yang Investment Corp.	Integrated Digital Technologies, Inc.'s stocks	None	Financial assets at fair value through profit or loss-non-current	520,000	\$ -	1.81%	\$ -	
Hsin Yang Investment Corp.	NeoPac Lighting, Ltd.'s stocks	None	Financial assets at fair value through profit or loss-non-current	4,500,000	-	5.73%	-	
Hsin Yang Investment Corp.	Pomiran Metalization Research Co., Ltd.'s stocks	None	Financial assets at fair value through profit or loss-non-current	7,000	26	0.02%	26	
Hsin Yang Investment Corp.	UniTest Technology Corporation's stocks	None	Financial assets at fair value through profit or loss-non-current	10,000	243	10.00%	243	
Hsin Yang Investment Corp.	Unimemory Technology (s) Pte Ltd.'s stocks	None	Financial assets at fair value through profit or loss-non-current	265,645	6,562	8.81%	6,562	
Hsin Yang Investment Corp.	Taimide Technology Inc.'s stocks	None	Financial assets at fair value through profit or loss-current	44,037	1,502	0.03%	1,502	
Hsin Yang Investment Corp.	Topoint Technology Co., Ltd.'s stocks	None	Financial assets at fair value through profit or loss-non-current	1,450,635	42,794	1.02%	42,794	
Hsin Yang Investment Corp.	Semicomm Technology Co., Ltd.'s stocks	None	Financial assets at fair value through other comprehensive income-non-current	650,000	27,912	5.91%	27,912	
Hsin Yang Investment Corp.	The Company	The Company is the company's parent	Financial assets at fair value through profit or loss-current	1,011,935	149,260	0.07%	149,260	
Subtron Technology Co., Ltd.	United Microelectronics Corp.	The Company is a director of the Company's parent company	Financial assets at fair value through other comprehensive income-non-current	46,527	2,461	0.00%	2,461	
Subtron Technology Co., Ltd.	Topoint Technology Co., Ltd.'s stocks	None	Financial assets at fair value through other comprehensive income-non-current	452,406	13,346	0.32%	13,346	
Subtron Technology Co., Ltd.	The Company	The Company is the company's parent	Financial assets at fair value through other comprehensive income-non-current	255,000	37,613	0.02%	37,613	
Subtron Technology Co., Ltd.	Unitech Capital Inc.'s stocks	Investee of United Microelectronics Corp.	Financial assets at fair value through other comprehensive income-non-current	1,000,000	21,309	2.00%	21,309	
Subtron Technology Co., Ltd.	Shihlien Fine Chemicals Co., Ltd.'s stocks	None	Financial assets at fair value through other comprehensive income-non-current	5,022,942	-	1.93%	-	
Subtron Technology Co., Ltd.	Emax Tech Co., Ltd.'s stocks	The Company's parent company is the company's director	Financial assets at fair value through other comprehensive income-non-current	80,921	3,021	0.24%	3,021	
Subtron Technology Co., Ltd.	Pomiran Metalization Research Co., Ltd.'s stocks	None	Financial assets at fair value through other comprehensive income-non-current	4,000	-	0.01%	-	
Subtron Technology Co., Ltd.	Unimemory Technology (s) Pte Ltd.'s stocks	None	Financial assets at fair value through other comprehensive income-non-current	325,945	8,051	10.81%	8,051	

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of March 31, 2023				Footnote (Note 4)
				Number of shares	Book value (Note 3)	Ownership (%)	Fair value	
Subtron Technology Co., Ltd.	Trillion Science Inc.'s stocks	None	Financial assets at fair value through other comprehensive income-non-current	1,400,000	\$ -	2.99%	\$ -	
Subtron Technology Co., Ltd.	Shinyu Light Co., Ltd.'s stocks	None	Financial assets at fair value through other comprehensive income-non-current	425,000	-	2.13%	-	
Subtron Technology Co., Ltd.	Advanced Numiceo System, Inc's stocks	None	Financial assets at fair value through other comprehensive income-non-current	3,350,000	-	14.09%	-	
Subtron Technology Co., Ltd.	MARUWA CORPORATION's bonds	The Company's management is this company's supervisor	Financial assets at fair value through profit or loss-non-current	900	-	11.75%	-	
UMTC Holdings Limited	AMC Holding Limited's stocks	None	Financial assets at fair value through profit or loss-non-current	897,750	44,207	7.09%	44,207	
UMTC Holdings Limited	UMT Technology Corp.'s stocks	None	Financial assets at fair value through profit or loss-non-current	230,000	-	19.01%	-	
Plato Electronics (Cayman) Limited	Biloda International Limited 's stocks	None	Financial assets at fair value through profit or loss-non-current	1,440,000	-	18.00%	-	
UniSmart Holding Limited	PI R&D Co., Ltd's stocks	The Company is the company's director	Financial assets at fair value through profit or loss-non-current	173,300	-	4.34%	-	
UniSmart Holding Limited	Trillion Science Inc.'s stocks	None	Financial assets at fair value through profit or loss-non-current	3,199,999	-	6.83%	-	
UniSmart Holding Limited	Aqua Science Corporation's stocks	None	Financial assets at fair value through profit or loss-non-current	333	-	0.36%	-	
UniSmart Holding Limited	Shocking Technologies, Inc.'s stocks	None	Financial assets at fair value through profit or loss-non-current	1,468,533	-	2.26%	-	
UniSmart Holding Limited	MARUWA CORPORATION's bonds	The Company is the company's director	Financial assets at fair value through profit or loss-non-current	2,450	-	31.98%	-	
Unimicron Germany GmbH	Naavinya CAD Soft Pvt Ltd 's equity shares	None	Financial assets at fair value through profit or loss-non-current	-	1,119	-	1,119	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities in accordance with IFRS 9.

Note 2: Leave the column blank if the issuer of marketable securities is non-related party.

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Note 5: The shares in Ability I Venture Capital Corporation were sold in March 2023.

Unimicron Technology Corp. and subsidiaries
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
For the three months ended March 31, 2023

Table 4

													Expressed in thousands of NTD (Except as otherwise indicated)	
					Balance as at January 1, 2023		Addition (Note 3)		Disposal (Note 3)			Balance as at March 31, 2023		
Investor	Marketable securities (Note 1)	General ledger account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
The Company	UniBest Holding Limited	Investment accounted for using equity method	Capital increase by cash for stocks subscription	The Company's subsidiary	240,550,000	\$ 8,531,996	46,200,000	\$ 1,676,613 (Note 5)	-	\$ -	\$ -	\$ -	286,750,000	\$ 10,208,609
The Company	UniWonderful Holding Limited	Investment accounted for using equity method	Capital increase by cash for stocks subscription	The Company's subsidiary	43,000,000	1,321,356	45,000,000	1,371,987 (Note 6)	-	-	-	-	88,000,000	2,693,343

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT\$300 million or 20% of paid-in capital or more.

Note 4: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 5: The amount includes investment increase of \$1,416,584, investment gain recognized for the period of \$262,948, translation differences decrease of \$4,121 recognitions of subsidiaries' capital surplus and changes in other equity were an decrease of \$461 and a increase of \$1,663, respectively.

Note 6: The amount includes investment increase of \$1,375,515, investment gain recognized for the period of \$13,352, translation differences decrease of \$16,880.

Unimicron Technology Corp. and subsidiaries
Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more
For the three months ended March 31, 2023

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:				Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
							Original owner who sold the real estate to the counterparty	Relationship original owner and the acquirer	Date of the original transaction	Amount			
The Company	Lane 209, Section 2, Xinnong Street, Yangmei District, Taoyuan City (No. 69-1, Caonan Slope Section, Yangmei District, Taoyuan City)	2019.08.23	\$ 1,520,000	Fully paid \$1,444,000 based on the contract	Ever Accord Construction Corp.	-	-	-	-	\$ -	NA	For production	-
The Company	No. 100, Xinxing Section, Zhongxing Section, Hukou Township, Hsinchu County	2021.10.01	1,233,000	Fully paid \$969,870 based on the contract	Fu Tai Construction Co., Ltd.	-	-	-	-	-	NA	For production	-
The Company	No. 102, Lane 426, Section 1, Meishi Road, Yangmei District, Taoyuan City (No. 80-3, Caonanpo Section, Yangmei District)	2021.11.16	517,000	Fully paid \$325,710 based on the contract	Jingwen Construction Engineering Steel Structure Co., Ltd.	-	-	-	-	-	NA	For production	-
The Company	Caonan Slope Land, Yangmei District, Taoyuan City (Note 4)	2021.04.12 -2022.02.22	408,201 (Note 6)	Fully paid	Natural person and non-related parties	-	-	-	-	-	It was appraised by Baoyuan Real Estate Appraiser Firm.	Expand plant to by Baoyuan Real Estate Appraiser Firm.	-
Unimicron Technology (SuZhou) Corp.	No. 158 Fengli Street, Suzhou Industrial Park (Note 5)	2021.12.16	591,666	Fully paid \$102,607 based on the contract	Suzhou AMC Technology Co., Ltd.	Other related parties	-	-	-	-	It was appraised by Suzhou Zhongan Real Estate Appraisal Co., Ltd..	For production	-

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:					Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
						Relationship with the counterparty	Original owner who sold the real estate to the counterparty	Relationship original owner and the acquirer	Date of the original transaction	Amount			
Kunshan Dingchangxin Electronic Technology Co., Ltd.	Land located at Kunshan New & High Tech Industrial Development Zone in the north site of Yuyang Rd. and the east site of Ruike Rd.	2022.08.22	\$ 1,101,385	Fully paid \$770,966 based on the contract	Xing Ye Jian Gong Ji Tuan You Xian Gong Si Di Yi Fen Gong Si	-	-	-	-	\$ -	NA	For production	-
Kunshan Dingchangxin Electronic Technology Co., Ltd.	Land located at Kunshan New & High Tech Industrial Development Zone in the north site of Yuyang Rd. and the east site of Ruike Rd.	2022.11.11	546,709	Fully paid \$386,838 based on the contract	Xing Ye Jian Gong Ji Tuan You Xian Gong Si Di Yi Fen Gong Si	-	-	-	-	-	NA	For production	-
Kunshan Dingchangxin Electronic Technology Co., Ltd.	Land located at Kunshan New & High Tech Industrial Development Zone in the north site of Yuyang Rd. and the east site of Ruike Rd.	2023.03.10	356,169	Unpaid	Kunshan Yaju Purifying Technology Co., Ltd.	-	-	-	-	-	NA	For production	-

Note 1: The appraisal result should be presented in the 'Basis or reference used in setting the price' column if the real estate acquired should be appraised pursuant to the regulations.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent in the calculation.

Note 3: Date of the event referred to herein is the date of contract signing date, date of payment, date of execution of a trading order, date of title transfer, date of board resolution, or other date that can confirm the counterparty and the monetary amount of the transaction, whichever is earlier.

Note 4: The accumulated amount used in purchasing the land in the section had exceeded NT\$300 million in one year.

Note 5: Refer to Note 9 F for details regarding the acquisition of property by Unimicron Technology (SuZhou) Corp. from Suzhou AMC Technology Co., Ltd.

Note 6: Due to the change of the purchase target, the transaction amount was subsequently adjusted to \$408,201.

Unimicron Technology Corp. and subsidiaries
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
For the three months ended March 31, 2023

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance (Note 5)	Percentage of total notes/accounts receivable (payable)	
Unimicron Technology (KunShan) Corp.	Unimicron (KS) Trading Limited	Same parent company	Sales	\$ 947,038	28%	3 months after monthly billings	\$ -	-	\$ 1,048,008	35%	
Unimicron Technology (Huangshi) Corp.	Unimicron (KS) Trading Limited	Same parent company	Sales	738,338	53%	3 months after monthly billings	-	-	1,051,827	64%	
Unimicron Technology (Huangshi) Corp.	UniGreat Holding Limited	Same parent company	Sales	171,009	12%	3 months after monthly billings	-	-	180,555	11%	
Unimicron-FPC Technology (Kunshan) Inc.	Unimicron Technology (KunShan) Corp.	Same parent company	Sales	138,415	20%	3 months after monthly billings	-	-	61,099	8%	
Unimicron Technology (ShenZhen) Corp.	Unimicron (SZ) Trading Limited	Same parent company	Sales	201,642	31%	3 months after monthly billings	-	-	166,132	33%	
Unimicron Technology (SuZhou) Corp.	Unimicron Holding Limited	Same parent company	Sales	1,255,474	35%	3 months after monthly billings	-	-	1,912,200	48%	
Qun Hong Technology Inc.	The Company	Ultimate parent company	Sales	135,207	32%	3 months after monthly billings	-	-	19,096	7%	
Unimicron (KS) Trading Limited	The Company	Ultimate parent company	Sales	786,962	45%	3 months after monthly billings	-	-	798,422	34%	
Unimicron (SZ) Trading Limited	The Company	Ultimate parent company	Sales	166,885	49%	3 months after monthly billings	-	-	164,749	62%	
Unimicron Holding Limited	The Company	Ultimate parent company	Sales	576,348	46%	3 months after monthly billings	-	-	560,613	67%	
UniGreat Holding Limited	The Company	Ultimate parent company	Sales	157,758	21%	3 months after monthly billings	-	-	160,200	52%	
Unimicron (KS) Trading Limited	Unimicron Technology (KunShan) Corp.	Same parent company	Sales	1,037,170	59%	3 months after monthly billings	-	-	1,464,738	63%	
UniGreat Holding Limited	Unimicron Technology (Huangshi) Corp.	Same parent company	Sales	100,452	13%	3 months after monthly billings	-	-	141,544	46%	

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

Note 3: Paid-in capital referred to herein is the paid-in capital of parent company. In the case that shares were issued with no par value or a par value other than NT\$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity paid-in capital shall be replaced by 10% of equity

Note 4: These transactions are shown in revenue, and related transactions were no longer disclosed.

Note 5: The sales transactions with related parties were transfer orders between consolidated entities, purchases are paid to the seller after receipt of payment from customers, thus, some receivables needed longer time to collect.

Unimicron Technology Corp. and subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
March 31, 2023

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Unimicron Technology (KunShan) Corp.	Unimicron (KS) Trading Limited	Same parent company	\$ 1,048,008	2.74	\$ -	-	\$ 304,512	\$ -
Unimicron Technology (Huangshi) Corp.	Unimicron (KS) Trading Limited	Same parent company	1,051,827	2.63	-	-	-	-
Unimicron Technology (Huangshi) Corp.	UniGreat Holding Limited	Same parent company	180,555	4.77	-	-	-	-
Unimicron Technology (ShenZhen) Corp.	Unimicron (SZ) Trading Limited	Same parent company	166,132	3.68	-	-	68,573	-
Unimicron Technology (SuZhou) Corp.	Unimicron Holding Limited	Same parent company	1,912,200	2.41	-	-	542,943	-
Unimicron (KS) Trading Limited	The Company	Ultimate parent company	798,422	2.83	-	-	247,419	-
Unimicron (SZ) Trading Limited	The Company	Ultimate parent company	164,749	3.06	-	-	67,253	-
Unimicron Holding Limited	The Company	Ultimate parent company	560,613	2.91	-	-	142,104	-
UniGreat Holding Limited	The Company	Ultimate parent company	160,200	5.13	-	-	47,919	-
Unimicron (KS) Trading Limited	Unimicron Technology (KunShan) Corp.	Same parent company	1,464,738	2.28	-	-	434,106	-
UniGreat Holding Limited	Unimicron Technology (Huangshi) Corp.	Same parent company	141,544	2.81	-	-	37,762	-
The Company	3D Circuit Taiwan Company Ltd.	Investee accounted for using equity method	156,564	Note 3	156,564	Note 4	-	156,564
The Company	Unimicron (KS) Trading Limited	The Company's subsidiary	128,756	Note 2	-	-	-	-
The Company	Unimicron Germany GmbH	The Company's subsidiary	1,260,102	Note 2	-	-	-	-
The Company	Unimicron (SZ) Trading Limited	The Company's subsidiary	116,182	Note 2	-	-	-	-
The Company	Unimicron Holding Limited	The Company's subsidiary	280,158	Note 2	-	-	-	-
The Company	Unimicron JAPAN Co., Ltd.	The Company's subsidiary	1,207,829	Note 2	-	-	137,718	-
UniBest Holding Limited	Smart Idea Holdings Limited	Same parent company	2,621,800	Note 2	-	-	-	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at March 31, 2023 (Note 1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
UniBest Holding Limited	Unimicron Germany GmbH	Same parent company	\$ 697,706	Note 2	\$ -	-	\$ -	\$ -
UniBest Holding Limited	Unimicron (SZ) Trading Limited	Same parent company	109,322	Note 2	-	-	-	-
UniBest Holding Limited	UniGreat Holding Limited	Same parent company	369,996	Note 2	-	-	-	-
Unimicron Technology (KunShan) Corp.	Unimicron-FPC Technology (Kunshan) Inc.	Same parent company	280,359	Note 2	-	-	-	-
Unimicron Technology (ShenZhen) Corp.	Suzhou Qunye Enterprise Management Co., Ltd.	Same parent company	332,770	Note 2	-	-	-	-
Unimicron Technology (SuZhou) Corp.	Unimicron-Carrier Technology (Huangshi) Inc.	Same parent company	445,598	Note 2	-	-	-	-
UniWonderful Holding Limited	Unimicron-FPC Technology (Kunshan) Inc.	Same parent company	1,313,250	Note 2	-	-	-	-

Note 1: Fill in separately the balances of accounts receivable-related parties, notes receivable-related parties, other receivables-related parties....

Note 2: Primarily other receivables arising from financing and payments made on behalf of other parties, therefore calculation of turnover rate is not needed.

Note 3: No sales were made to the company for the year.

Note 4: The company has declared bankruptcy. Allowance for doubtful accounts equal to the full amount of the receivables due from this company has been recorded.

Unimicron Technology Corp. and subsidiaries
Significant inter-company transactions during the reporting period
For the three months ended March 31, 2023

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

				Transaction (Note 5)			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount	Transaction terms	Percentage of total operating revenues or total assets (Note 3)
1	Unimicron Technology (KunShan) Corp.	Unimicron (KS) Trading Limited	3	Accounts receivable	\$ 1,048,008	Available for the third party	0%
2	Unimicron Technology (Huangshi) Corp.	Unimicron (KS) Trading Limited	3	Accounts receivable	1,051,827	Available for the third party	0%
3	Unimicron Technology (SuZhou) Corp.	Unimicron Holding Limited	3	Accounts receivable	1,912,200	Available for the third party	1%
4	Unimicron (KS) Trading Limited	Unimicron Technology (KunShan) Corp.	3	Accounts receivable	1,464,738	Available for the third party	1%
5	The Company	Unimicron Germany GmbH	1	Other receivables	1,260,102	Available for the third party	1%
6	The Company	Unimicron JAPAN Co., Ltd.	1	Other receivables	1,207,829	Available for the third party	1%
7	UniBest Holding Limited	Smart Idea Holdings Limited	3	Other receivables	2,621,800	Available for the third party	1%
8	UniWonderful Holding Limited	Unimicron-FPC Technology (Kunshan) Inc.	3	Other receivables	1,313,250	Available for the third party	1%
9	Unimicron Technology (SuZhou) Corp.	Unimicron Holding Limited	3	Sales	1,255,474	Available for the third party	5%
10	Unimicron (KS) Trading Limited	Unimicron Technology (KunShan) Corp.	3	Sales	1,037,170	Available for the third party	4%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

- (1) Parent company is '0'.
- (2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

- (1) Parent company to subsidiary.
- (2) Subsidiary to parent company.
- (3) Subsidiary to subsidiary

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

Note 5: Individual transactions not exceeding \$1 billion are not disclosed. Those transactions are shown in assets and revenue. Relative related are not disclosed.

Unimicron Technology Corp. and subsidiaries

Information on investees

For the three months ended March 31, 2023

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2023			Book value (Note 3)	Net profit (loss) of the investee for the three months ended March 31, 2023 (Note 2(2))	Investment income (loss) recognized by the Company for the three months ended March 31, 2023 (Note 2(3))	Footnote
				Balance as at a March 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership					
The Company	Subtron Technology Co., Ltd.	Taiwan	Manufacture and sale of electronic parts	\$ 1,333,548	\$ 1,333,548	298,092,350	100.00%	\$ 7,735,251	(\$ 19,976)	(\$ 91,256)		
The Company	Hsin Yang Investment Corp.	Taiwan	Holding company	3,423,689	3,423,689	96,840,707	100.00%	897,062	35,785	6,945		
The Company	Advance Materials Corp.	Taiwan	Manufacture and sale of electronic parts	198,962	198,962	19,175,303	17.17%	200,950	(29,614)	(5,085)		
The Company	Asia Pacific Microsystems, Inc.	Taiwan	Manufacture and sale of electronic parts	982,156	982,156	29,476,572	62.78%	268,549	(31,063)	(19,501)		
The Company	Hemingway Int'l Limited	BVI	Holding company	6,118,151	6,118,151	187,988,866	100.00%	10,439,860	169,071	169,071		
The Company	UMTC Holdings Limited	BVI	Holding company	6,199,051	6,199,051	139,465,246	100.00%	6,237,761	148,369	148,369		
The Company	3D Circuit Taiwan Company Ltd.	Taiwan	Manufacture and sale of electronic parts	220,833	220,833	10,416,962	42.83%	(74,899)	-	-		
The Company	UniBest Holding Limited.	Samoa	Holding company	8,675,084	7,258,500	286,750,000	100.00%	10,208,609	262,948	262,948		
The Company	Uniflex Technology Inc.	Taiwan	Manufacture and sale of electronic parts	342,385	342,385	15,586,822	9.98%	70,356	(102,478)	(10,227)		
The Company	NEOCONIX, INC.	USA	Design and manufacture of connector	118,963	118,963	865,526,530	92.00%	172,339	8,838	8,163		
The Company	APM communication, Inc.	Taiwan	Manufacture and sale of electronic parts	107,959	107,959	4,657,650	49.57%	66,969	11,427	5,683		
The Company	UniFresh, Inc.	Taiwan	Food and restaurants	26,000	26,000	2,600,000	24.42%	16,352	2,107	514		
The Company	HK3D-Circuit Ltd.	Hong Kong	Manufacture and sale of electronic parts	31,170	31,170	7,750,000	18.61%	-	-	-		
The Company	Yih Dar Technologies Co., Ltd.	Taiwan	Manufacture and sale of electronic parts	40,000	40,000	4,000,000	26.67%	-	-	-		
The Company	Qun Hong Technology Inc.	Taiwan	Manufacture and sale of electronic parts	2,435,152	2,435,152	102,377,429	91.41%	400,734	(252,850)	(230,801)		
The Company	PAVIDA Trading Limited	Samoa	Holding company and trading	4,406	4,406	139,818	17.27%	4,227	2,734	471		
The Company	UniWonderful Holding Limited	Samoa	Holding company	2,696,368	1,320,853	88,000,000	100.00%	2,693,343	13,352	13,352		

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2023			Net profit (loss) of the investee for the three months ended March 31, 2023 (Note 2(2))	Investment income (loss) recognized by the Company for the three months ended March 31, 2023 (Note 2(3))	Footnote
				Balance as at a March 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership	Book value (Note 3)			
The Company	UNIMICRON (THAILAND) CO., LTD.(UniTH)	Thailand	Manufacture and sale of electronic parts	\$ -	\$ -	-	100.00%	\$ -	\$ -	\$ -	Note 5
Hsin Yang Investment Corp.	UniFresh, Inc.	Taiwan	Food and restaurants	80,480	80,480	8,048,000	75.58%	55,596	2,107	1,592	
Hsin Yang Investment Corp.	UniSense Technology Co. Ltd.	Taiwan	Manufacture and sale of electronic parts	48,231	48,231	4,823,074	30.98%	77,242	(276)	(2,277)	
Hsin Yang Investment Corp.	Asia Pacific Microsystems, Inc.	Taiwan	Manufacture and sale of electronic parts	355,496	355,496	1,952,861	4.16%	19,480	(31,063)	(1,292)	
Hsin Yang Investment Corp.	Advance Materials Corp.	Taiwan	Manufacture and sale of electronic parts	95,935	95,935	7,781,675	6.97%	73,023	(29,614)	(2,064)	
Hsin Yang Investment Corp.	Subtron Technology Co., Ltd	Taiwan	Manufacture and sale of electronic parts	-	9,934	-	-	-	(19,976)	-	Note 4
Hsin Yang Investment Corp.	3D Circuit Taiwan Company Ltd.	Taiwan	Manufacture and sale of electronic parts	18,360	18,360	612,000	2.52%	(4,669)	-	-	
Hsin Yang Investment Corp.	Unipoint Technology Co., Ltd.	Taiwan	Manufacture and sale of electronic parts	190,037	190,037	19,003,703	38.24%	270,706	(7,132)	(2,727)	
Hsin Yang Investment Corp.	Uniflex Technology Inc.	Taiwan	Manufacture and sale of electronic parts	502,294	502,294	25,307,736	16.21%	170,343	(102,478)	(16,612)	
Hsin Yang Investment Corp.	APM communication, Inc.	Taiwan	Manufacture and sale of electronic parts	58,337	58,337	168,801	1.80%	1,451	11,427	206	
Hsin Yang Investment Corp.	Qun Hong Technology Inc.	Taiwan	Manufacture and sale of electronic parts	110,863	110,863	3,962,504	3.54%	16,436	(252,850)	(8,951)	
Subtron Technology Co., Ltd.	Advance Materials Corp.	Taiwan	Manufacture and sale of electronic parts	104,265	104,265	8,022,021	7.18%	84,119	(29,614)	(2,126)	
Subtron Technology Co., Ltd.	Asia Pacific Microsystems, Inc.	Taiwan	Manufacture and sale of electronic parts	129,569	129,569	832,021	1.77%	7,862	(31,063)	(550)	
Subtron Technology Co., Ltd.	APM communication, Inc.	Taiwan	Manufacture and sale of electronic parts	53,982	53,982	1,244,062	13.24%	16,409	11,427	1,513	
Subtron Technology Co., Ltd.	UniSense Technology Co. Ltd.	Taiwan	Manufacture and sale of electronic parts	14,322	14,322	1,346,136	8.65%	20,091	(276)	(24)	
Subtron Technology Co., Ltd.	Unimicron Holding Limited	Samoa	Holding company	479,941	479,941	14,800,000	7.95%	1,460,788	1,111,657	88,377	
Subtron Technology Co., Ltd.	MARUWA CORPORATION	Japan	Manufacture and sales of flexible Print	54,388	54,388	1,500	17.65%	-	-	-	
Subtron Technology Co., Ltd.	Subtron Holding Limited	Samoa	Holding company	24,573	24,573	250,000	100.00%	12,961	1,122	1,122	
UniFresh, Inc.	UniCuisine, Inc.	Taiwan	Sales and manufacture of food	89,130	89,130	1,773,908	68.26%	42,924	2,883	1,864	

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at March 31, 2023			Net profit (loss) of the investee for the three months ended March 31, 2023 (Note 2(2))	Investment income (loss) recognized by the Company for the three months ended March 31, 2023 (Note 2(3))	Footnote
				Balance as at a March 31, 2023	Balance as at December 31, 2022	Number of shares	Ownership	Book value (Note 3)			
APM communication, Inc.	PAVIDA Trading Limited	Samoa	Holding company and trading	\$ 20,832	\$ 20,832	670,000	82.73%	\$ 20,250	\$ 2,734	\$ 2,262	
Asia Pacific Microsystems, Inc.	APM communication, Inc.	Taiwan	Manufacture and sale of electronic parts	332,259	332,259	2,911,867	30.99%	38,408	11,427	3,541	
Hemingway Int'l Limited	Plato Electronics (Cayman) Limited	Cayman	Holding company	1,467,681	1,467,681	27,989,612	72.02%	1,094,021	(136,616)	(98,391)	
Hemingway Int'l Limited	Smart Idea Holdings Limited	Cayman	Holding company	888,787	888,787	30,000,000	42.10%	3,847,527	(34,226)	(14,409)	
Hemingway Int'l Limited	Best Option Investments Limited	Samoa	Holding company	3,415,024	3,415,024	644,263,312	21.74%	139,518	(147,514)	(32,070)	
Hemingway Int'l Limited	Unimicron Holding Limited	Samoa	Holding company	1,719,360	1,719,360	53,151,515	28.54%	5,327,567	1,111,657	317,267	
Hemingway Int'l Limited	UniSmart Holding Limited	Samoa	Holding company	174,124	174,124	5,099,086	15.55%	12,094	(21,012)	(3,267)	
UMTC Holdings Limited	Plato Electronics (Cayman) Limited	Cayman	Holding company	216,114	216,114	4,474,259	11.51%	73,212	(136,616)	(15,725)	
UMTC Holdings Limited	Smart Idea Holdings Limited	Cayman	Holding company	629,580	629,580	20,761,904	29.13%	2,633,383	(34,226)	(9,970)	
UMTC Holdings Limited	Best Option Investments Limited	Samoa	Holding company	1,232,586	1,232,586	42,195,000	1.43%	15,935	(147,514)	(2,109)	
UMTC Holdings Limited	Unimicron Holding Limited	Samoa	Holding company	1,210,064	1,210,064	40,400,000	21.69%	3,976,518	1,111,657	241,118	
UMTC Holdings Limited	UniSmart Holding Limited	Samoa	Holding company	703,420	703,420	21,286,112	64.93%	(6,929)	(21,012)	(13,643)	
UMTC Holdings Limited	Unimicron JAPAN Co., Ltd.	Japan	Manufacture and sale of electronic parts	503,200	503,200	35,130	100.00%	(532,357)	(45,371)	(46,885)	
Plato Electronics (Cayman) Limited	Unimicron (SZ) Trading Ltd.	Samoa	Trading	202,525	202,525	6,500,000	100.00%	(193,070)	(19,752)	(19,752)	
Smart Idea Holdings Limited	UniGreat Holding Limited	Samoa	Holding company	1,407,974	1,407,974	45,900,050	100.00%	789,145	(11,089)	(11,089)	
Smart Idea Holdings Limited	UniRuwel Holding Limited	Cayman	Holding company	1,371,730	1,371,730	44,962,000	100.00%	184,562	(104,932)	(104,932)	
Smart Idea Holdings Limited	Unimicron (KS)Trading Ltd.	Samoa	Trading	582,000	582,000	20,000,001	100.00%	259,706	(11,985)	(11,985)	
UniSmart Holding Limited	MARUWA CORPORATION	Japan	Manufacture and sales of flexible Print	95,703	95,703	2,400	28.24%	(34,954)	-	-	
UniRuwel Holding Limited	Unimicron Germany GmbH	Germany	Manufacture and sale of electronic parts	1,239,903	1,239,903	25,000	100.00%	185,324	(104,823)	(105,414)	
UniBest Holding Limited	Unimicron Holding Limited	Samoa	Holding company	2,655,707	2,655,707	57,878,614	31.08%	5,616,599	1,111,657	345,503	
UniBest Holding Limited	Best Option Investments Limited	Samoa	Holding company	1,766,182	1,766,182	2,276,363,910	76.83%	596,864	(147,514)	(113,335)	
UniBest Holding Limited	UniSmart Holding Limited	Samoa	Holding company	185,165	185,165	6,400,000	19.52%	(18,159)	(21,012)	(4,101)	

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1)The columns of 'Investee', 'Location', 'Main business activities', 'Initial investment amount' and 'Shares held as at March 31, 2023' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.

(2)The 'Net profit (loss) of the investee for the three months ended March 31, 2023' column should fill in amount of net profit (loss) of the investee for this period.

(3)The 'Investment income (loss) recognised by the Company for the three months ended March 31, 2023' column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

Note 3: Unrealized gains and losses have not been excluded.

Note 4: Information about converting shares which Hsin Yang Investment Corp. originally held in Subtron Technology Co., Ltd. into the Company's shares due to the Company's merger with Subtron Technology Co., Ltd. is provided in Note 6(23)D.

Note 5: On March 13, 2023, the Company's Board of Directors resolved to establish UNIMICRON (THAILAND) CO., LTD. (UniTH). It was established in March 2023, and its capital has not yet been injected.

Unimicron Technology Corp. and subsidiaries
Information on investments in Mainland China
For the three months ended March 31, 2023

Table 10

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Effect of business combinations (Note 6)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2023	Net income of investee for the three months ended March 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three months ended March 31, 2023 (Note 2)	Book value of investments in Mainland China as of March 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2023	Footnote
						Remitted to Mainland China	Remitted back to Taiwan							
Unimicron Technology (ShenZhen) Corp.	Manufacture and sale of electronic parts	\$ 3,050,860	Plato-Cayman	\$ 1,484,856	\$ -	\$ -	\$ -	\$ 1,484,856	(\$ 116,807)	83.53	(\$ 97,569)	\$ 1,260,139	\$ -	-
Unimicron Technology (KunShan) Corp.	Manufacture and sale of electronic parts	2,369,600	SI	1,372,769	-	-	-	1,372,769	108,224	71.23	76,902	3,802,192	-	-
Unimicron-FPC Technology (Kunshan) Inc.	Manufacture and sale of electronic parts	6,280,552	BO	5,830,331	-	-	-	5,830,331	(119,975)	100.00	(119,975)	541,189	-	-
Unimicron Technology (SuZhou) Corp.	Manufacture and sale of electronic parts	5,273,427	UHL and Suzhou Qunye	1,837,430	479,941	-	-	2,317,371	1,202,708	86.19	1,000,540	14,673,499	-	-
Suzhou AMC Technology Co., Ltd.	Manufacture and sale of electronic parts	1,263,293	AMCHOLDING LIMITED	192,869	-	-	-	192,869	(2,481)	6.38	-	44,207	-	-
Unipoint Technology (KunShan) Corp.	Manufacture and sale of electronic parts	35,544	UMT Technology Corp.	6,813	656	-	-	7,469	-	19.01	-	-	-	-
Kunshan 3D Circuit Technology Co., Ltd.	Manufacture and sale of electronic parts	125,925	HK3D-Circuit Ltd.	31,170	15,450	-	-	46,620	-	18.61	-	(13,128)	-	-
Unimicron Technology (Huangshi) Corp.	Manufacture and sale of electronic parts	4,672,240	UniGreat and Unimicron Management (KunShan)	-	-	-	-	-	29,325	71.23	20,888	2,667,533	-	-
Unimicron Management (KunShan) Corp., Ltd.	Business management consulting and property management	3,823,736	Unimicron Technology (KunShan)	-	-	-	-	-	17,568	71.23	12,514	2,545,496	-	-
Unimicron-Carrier Technology (Huangshi) Inc.	Manufacture and sale of electronic parts	2,184,076	UHL and Unimicron Technology (SuZhou)	514,677	-	-	-	514,677	(69,714)	87.39	(59,710)	1,811,312	-	-
Hu Se Sn Li Managemnet Corp., Ltd.	Business management consulting	1,010,407	Unimicron Management (KunShan)	-	-	-	-	-	(2,935)	71.23	(2,091)	669,568	-	-
Gobo Lighting Technology Ltd.	Manufacture and sale of lighting products	38,943	PAVIDA and SHL	17,914	7,103	-	-	25,017	6,092	59.64	1,631	18,823	-	-

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2023	Effect of business combinations (Note 6)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the three months ended March 31, 2023		Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2023	Net income of investee for the three months ended March 31, 2023	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the three months ended March 31, 2023 (Note 2)	Book value of investments in Mainland China as of March 31, 2023	Accumulated amount of investment income remitted back to Taiwan as of March 31, 2023	Footnote
						Remitted to Mainland China	Remitted back to Taiwan							
Kunshan Dingchangxin Electronic Technology Co., Ltd.	Manufacture and sale of electronic parts	\$ 5,570,270	SI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,385	71.23	\$ 13,030	\$ 3,985,679	\$ -	-
Suzhou Qunye Enterprise Management Co., Ltd.	Business management consulting	-	UHL	-	-	-	-	-	25,973	89.26	23,183	(7,563)	-	-
Kunshan Qunqi Technology Co., Ltd.	Manufacture and sale of electronic parts	1,496,952	UHL	-	-	-	-	-	7,786	89.26	6,950	1,350,562	-	-
Kunshan Dingshengxin Electronic Technology Co., Ltd.	Inspection of goods, sales of electronic component and equipment and property management	11,098	Kunshan Dingchangxin	-	-	-	-	(84)	71.23	(60)	7,846	-	-	
Gobo Lighting Enterprise Management Co., Ltd.	Business management consulting ; Business consulting, etc.	35,702	Gobo Lighting Technology	-	-	-	-	(108)	59.64	(65)	3,348	-	-	
Kunshan Besto Catering Management Co., Ltd.	Food management and food services	13,926	Gobo Business Management	-	-	-	-	(2,024)	15.15	(514)	3,712	-	-	
Company name	Accumulated amount of remittance from Taiwan to Mainland China as of March 31, 2023 (Note 4)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA											
The Company	\$ 13,162,260	\$ 16,696,434	\$ -											

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others : Investment in Mainland Chinese company through an investment company in the same region

Note 2: Investment income (loss) recognized for the period in accordance with the financial statements reviewed by R.O.C. parent company's CPA.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

Note 4: Subsequent investments in Mainland China with disposal proceeds of other investments in Mainland China are included in ceiling on investments in Mainland China not remitted back to Taiwan.

Note 5: On November 11, 2020, the Company received an approval letter issued by the Industrial Development Bureau of the Ministry of Economic Affairs, effective from November 5, 2020 to November 4, 2023. Hence, calculation of investment limit is not needed.

Note 6: Since Subtron Technology Co., Ltd. became a subsidiary of the Company this year, it should be included in the information on investments in Mainland China of Subtron Technology Co., Ltd.

Unimicron Technology Corp. and subsidiaries

Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas

For the three months ended March 31, 2023

Table 11

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Sale (purchase)		Property transaction		Accounts receivable (payable)		Provision of endorsements/guarantees or collaterals		Financing				
	Amount	%	Amount	%	Balance at March 31, 2023	%	Balance at March 31, 2023	Purpose	Maximum balance during the three months ended March 31, 2023	Balance at March 31, 2023	Interest rate	Interest during the three months ended March 31, 2023	Others
Unimicron Technology (ShenZhen) Corp.	\$ 5,983	0%	\$ -	-	\$ 7,513	0%	\$ 913,200	Borrowings	\$ -	\$ -	-	\$ -	
Unimicron Technology (ShenZhen) Corp.	(166,885)	3%	-	-	(166,086)	3%	-	-	-	-	-	-	
Unimicron Technology (KunShan) Corp.	29,127	0%	-	-	105,700	1%	913,200	Borrowings	-	-	-	-	
Unimicron Technology (KunShan) Corp.	(787,061)	16%	-	-	(767,176)	14%	-	-	-	-	-	-	
Unimicron-FPC Technology (Kunshan)	-	-	-	-	-	-	3,348,400	Borrowings	-	-	-	-	
Unimicron Technology (SuZhou) Corp.	91,298	1%	-	-	55,336	0%	913,200	Borrowings	-	-	-	-	
Unimicron Technology (SuZhou) Corp.	(576,348)	11%	-	-	(526,378)	9%	-	-	-	-	-	-	
Unimicron Technology (Huangshi) Corp.	4	0%	-	-	27	0%	-	-	-	-	-	-	
Unimicron Technology (Huangshi) Corp.	(157,758)	3%	-	-	(157,881)	3%	3,044,000	Borrowings	-	-	-	-	
Unimicron -Carrier Technology (Huangshi) Inc.	-	-	-	-	-	-	1,522,000	Borrowings	-	-	-	-	

Note 1: The transactions between the Company and Unimicron Technology (ShenZhen) Corp., Unimicron Technology (KunShan) Corp., Unimicron-FPC Technology (Kunshan) Inc., Unimicron Technology (SuZhou) Corp., Unimicron Technology (HuangShi) Corp and Unimicron -Carrier Technology (Huangshi) Inc. are through the indirect investee companies of the Company - Unimicron (SZ) Trading Limited, Unimicron (KS) Trading Limited, Best Option Investments Limited, Unimicron Holding Limited, UniGreat Holding Limited and Unimicron Holding Limited, respectively.

Unimicon Technology Corp. and subsidiaries

Information on Major Shareholders

March 31, 2023

Table 12

Name of Major Shareholders	Shares	
	Number of Shares	Ownership (%)
United Microelectronics Corp.	198,878,046	13.05%