Stock Code：6243

ENE TECHNOLOGY INC AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND REVIEW REPORT OF INDEPENDENT ACCOUNTANTS

June 30th , 2024 AND 2023

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Translated Independent Auditor's Review Report

To the Board of Directors of ENE TECHNOLOGY INC. :

Introduction

We have reviewed the consolidated balance sheets of ENE TECHNOLOGY INC and subsidiaries as of June 30th, 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flow for the six-month periods 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 above said financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and International Accounting Standards 34, "Interim Financial Reporting" 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 TWESRE2410 "Review of Financial Information". 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 assure full awareness of all significant matters that might be identified in an audit. Thus, we are not able to express an audit opinion.

Qualified Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects the consolidated financial position of the Company as of June 30th 2024, and its consolidated financial performance and its consolidated cash flows for the period ending June 30th , 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed by and issued into effect by the Financial Supervisory Commission of the Republic of China.

P r i c e w a t e r h o u s e C o o p e r s   T a i w a n

Pei-Chuan Huang

CPA

Chin-Chang Chen

2024.07.31

ENE Technology Inc. and Subsidiaries

Consolidated Balance Sheet

January 1st to June 30th 2024 & 2023

Unit: NTD thousands

	Assets	Note	2024.06.30 Amount	%	2023.12.31 Amount	%	2023.06.30 Amount	%
	Current Assets							
1100	Cash & cash equivalents	6(1)	$ 670,035	49	$ 257,242	23	$ 162,935	14
1110	Financial asset through P&L	6(2)						
	measured at fair value- current		420	-	-	-	-	-
1136	Financial asset after amortization	6(3) & 8						
	current		128,310	10	230,682	20	280,615	23
1170	Net accounts receivables	6(4)	176,084	13	210,965	18	246,546	20
1180	Accounts receivable- related	7						
	parties		35,156	3	35,161	3	27,092	2
130X	Inventories	6(5)	238,268	18	290,265	25	368,160	31
1410	Pre-payments		2,298	-	4,683	-	5,264	1
1479	Other current assets-others		5,226	-	4,883	1	4,153	-
11XX	**Total Current Assets**		1,255,797	93	1,033,881	90	1,094,765	91
	Non-Current Asset							
1535	Financial assets after amortization	6(3) & 8						
	－non current		1,068	-	1,060	-	1,053	-
1600	Property, plant and equipment	6(6)&7	37,853	3	30,021	3	16,361	1
1755	Right-of-use asset	6(7)	23,746	2	27,498	3	30,773	3
1780	Intangible asset	6(8)&7	17,266	1	23,862	2	33,865	3
1840	Deferred tax asset		18,884	1	15,916	1	16,832	1
1900	Other non-current assets	7	2,015	-	15,189	1	15,116	1
15XX	**Total Non-current assets**		100,832	7	113,546	10	114,000	9
1XXX	**Total Assets**		$ 1,356,629	100	$ 1,147,427	100	$ 1,208,765	100

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<u>ENE Technology Inc. and Subsidiaries</u>
<u>Consolidated Balance Sheet</u>
<u>January 1st to June 30th , 2024 & 2023</u>

Unit: NTD thousands

	Liabilities and Equity	Note	2024.06.30 Amount	%	2023.12.31 Amount	%	2023.06.30 Amount	%
	Current Liabilities							
2100	Short term loan	6(9)	$ 60,000	4	$ 160,000	14	$ 207,500	17
2170	Account payables		63,243	5	73,004	6	138,791	12
2180	Account payable - related parties	7	42,751	3	23,088	2	2,393	-
2200	Other account payables	6(10)	38,513	3	42,772	4	31,861	3
2220	Other account payables- related parties	7						
2280	Lease liabilities-current	6(7)	13,246	1	478	-	-	-
2399	Other current liabilities-others		2,375	-	1,234	-	4,381	-
21XX	**Total current liabilities**		226,267	17	306,677	27	390,345	33
	Non-Current liabilities							
2530	Company bond payable	6(11)	280,073	21	-	-	-	-
2570	Deferred income tax liabilities		5,019	-	-	-	2,706	-
2580	Lease liabilities－non current	6(7)	17,043	1	20,759	2	24,083	2
2600	Other non current liabilities		3	-	3	-	3	-
25XX	**Non current liabilities**		302,138	22	20,762	2	26,792	2
2XXX	**Total liabilities**		528,405	39	327,439	29	417,137	35
	Equity							
	Equity attributed to Parent							
	Capital	6(14)						
3110	Ordinary share capital		452,688	33	452,688	39	453,128	37
	Capital surplus	6(15)						
3200	Capital surplus		289,058	22	277,236	24	276,867	23
	Retained earnings	6(16)						
3310	Legal reserve		19,879	1	13,215	1	13,215	1
3350	Undistributed earnings		72,469	5	86,878	8	66,012	5
	Other equity							
3400	Other equity		(5,870)	-	(10,029)	(1)	(17,594)	(1)
3XXX	**Total equity attributed to Parent company**		828,224	61	819,988	71	791,628	65
	Significant or liable and unrecognized committed contract	9						
	Significant subsequent events	11						
3X2X	**Total liabilities and equity Current Liabilities**		$ 1,356,629	100	$ 1,147,427	100	$ 1,208,765	100

ENE Technology Inc. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1st to June 30th , 2024 & 2023

Unit: NTD K
EPS is denoted as NTD

	Item	Note	20240401~0630 Amount	%	20230401~0630 Amount	%	20240101~0630 Amount	%	20230101~0630 Amount	%
4000	Operating revenue	6(17) &7	$ 187,375	100	$ 249,828	100	$ 366,716	100	$ 450,563	100
5000	Operating cost	6(5)	(124,058)	(66)	(157,038)	(63)	(241,991)	(66)	(279,589)	(62)
5900	Gross margin		63,317	34	92,790	37	124,725	34	170,974	38
	Operating expense	6(19)								
6100	Selling expense		(18,506)	(10)	(20,375)	(8)	(38,583)	(10)	(38,397)	(8)
6200	General & admin expense		(17,138)	(9)	(20,367)	(8)	(35,893)	(10)	(39,272)	(9)
6300	R & D expense		(28,385)	(15)	(38,081)	(15)	(55,587)	(15)	(62,067)	(14)
6450	Expected credit loss	6(4)	(191)	-	379	-	(198)	-	357	-
6000	Total operating expense		(64,220)	(34)	(78,444)	(31)	(130,261)	(35)	(139,379)	(31)
6900	Operating profit (loss)		(903)	-	14,346	6	(5,536)	(1)	31,595	7
	Non-operating income and expense									
7100	Interest income		5,321	3	4,639	2	9,876	3	8,684	2
7010	Other income		224	-	52	-	356	-	82	-
7020	Other profit and loss	6(18)	8,801	5	11,280	4	36,592	10	7,429	2
7050	Financial cot		(831)	(1)	(1,102)	-	(1,713)	(1)	(2,015)	(1)
7000	Total of non operating income and expense		13,515	7	14,869	6	45,111	12	14,180	3
7900	**Profit before income tax**		12,612	7	29,215	12	39,575	11	45,775	10
7950	Income tax expense	6(20)	346	-	-	-	(2,051)	(1)	-	-
8200	**Net profit for the period**		$ 12,958	7	$ 29,215	12	$ 37,524	10	$ 45,775	10
	Other comprehensive profit and loss (net)									
	Cumulative translation differences of foreign operation									
8361	Income tax relating to items may be reclassified		$ -	-	($ 201)	-	$ -	-	($ 202)	-
8399	**Profit before income tax**	6(20)	-	-	41	-	-	-	41	-
8300	**Other comprehensive profit and loss (net)**		$ -	-	($ 160)	-	$ -	-	($ 161)	-
8500	**Total comprehensive profit and loss**		$ 12,958	7	$ 29,055	12	$ 37,524	10	$ 45,614	10
	Net profit attributed to									
8610	Parent company		$ 12,958	7	$ 29,215	12	$ 37,524	10	$ 45,775	10
	Total comprehensive profit & loss attributed to :									
8710	Parent company		$ 12,958	7	$ 29,215	12	$ 37,524	10	$ 45,775	10
	Earning per share	6(21)								
9750	Basic earning per share		$ 0.29		$ 0.66		$ 0.84		$ 1.03	
9850	Diluted earning per share		$ 0.29		$ 0.65		$ 0.83		$ 1.01	

ENE Technology Inc. & Subsidiaries
Consolidated Statements of Changes in Equity
January 1st to June 30th , 2024 & 2023

Unit：NTD$ Thousands

		Equity attributed to Parent Company								
			Capital surplus		Retained earnings		Others			
	Note	Ordinary shares capital	Capital Surplus —Premium	Capital Surplus — Others	Legal reserve	Undistributed earning	Cumulative translation differences of foreign operation	Unrealized P&L from financial assets measured at fair value through P&L	Other equity — Others	Total equity
2023										
Balance as of 0101		$ 453,228	$ 232,218	$ 44,549	$ -	$ 6,007	$ 81,820	$ 161	($ 25,099)	$ 792,884
Net profit of the period		-	-	-	-	-	45,775	-	-	45,775
Comprehensive P & L of the period		-	-	-	-	-	-	(161)	-	(161)
Total of comprehensive P&L of the period		-	-	-	-	-	45,775	(161)	-	45,614
2022 profit appropriation and distribution	6(16)									
Legal reserve		-	-	-	-	7,208	(7,208)	-	-	-
Cash dividends		-	-	-	-	-	(54,375)	-	-	(54,375)
Share-based payment transaction	6(13)	100)	-	100	-	-	-	-	7,505	7,505
Balance as of 0630		$ 453,128	$ 232,218	$ 44,649	$ -	$ 13,215	$ 66,012	$ -	($ 17,594)	$ 791,628
2024										
Balance as of 0101		$ 452,688	$ 238,330	$ 38,906	$ -	$ 13,215	$ 86,878	$ -	($ 10,029)	$ 819,988
Net profit of the period		-	-	-	-	-	37,524	-	-	37,524
Total of comprehensive P&L of the period		-	-	-	-	-	37,524	-	-	37,524
2023 profit appropriation and distribution	6(16)									
Legal reserve		-	-	-	-	6,664	(6,664)	-	-	-
Cash dividends		-	-	-	-	-	(45,269)	-	-	(45,269)
Cash dividends from capital reserve	6(15)	-	(9,054)	-	-	-	-	-	-	(9,054)
Share-based payment transaction	6(13)	(-	8,658	(8,658)	-	-	-	-	4,159	4,159
Convertible company bonds-equity	6(11)	-	-	-	20,876	-	-	-	-	20,876
Balance as of 0630		$ 452,688	$ 237,934	$ 30,248	$ 20,876	$ 19,879	$ 72,469	$ -	($ 5,870)	$ 828,224

ENE Technology Inc. and Subsidiaries
Consolidated Statements of Cash Flows
January 1st to June 30th , 2024 & 2023

Unit: NTD$ Thousands

	Notes	20240101~0630	20230101~0630
Cash flow from operating activities:			
Income before income tax		$ 39,575	$ 45,775
Adjustments			
Income and expenses/loss items			
Depreciation	6(19)	10,754	8,949
Amortization	6(19)	15,416	5,272
Interest expenses		1,713	2,015
Interest income		(9,876)	(8,684)
Expected credit impairment loss	6(4)	198	(357)
Disposal of real estate, plant & equipment	6(18)	-	1,109
Loss from disposal of subsidiaries	6(18)	-	1,160
Net financial asset at fair value through P&L loss (profit)	6(2)(18)	46	(130)
Unrealized exchange profit		(2,436)	(3,739)
Cost for share-based payment compensation	6(13)	4,159	7,505
Profit from lease change	6(7)(18)	-	(143)
Net changes in operating related assets			
Current financial assets at fair value through profit or loss			
Account receivables (include related parties)		44	130
Other receivables		34,688	(71,640)
Inventories		-	609
Prepaid payments		51,997	7,084
Net defined benefit assets		2,385	14,574
Other current assets		5,706	-
Net changes in operating related liabilities		559	44
Account payables (include related parties)			
Other account payables (include related parties)		9,902	26,698
Other current liabilities		(4,824)	(10,640)
Cash flows from operating activities (outflow) inflow		1,140	1,807
Interest received		161,146	27,398
Interest paid		9,942	8,746
Income tax paid		(1,604)	(2,006)
Net cash inflow (outflow) from operating activities		(968)	(852)
Cash flow from investment activities		168,516	33,286
Cash flow from investment activities:			
Acquisition of financial assets after amortization		-	(15,428)
Disposal of financial assets after amortization		104,800	-
Acquisition of real estate, plant and equipment	6(22)	(2,080)	(4,015)
Acquisition of intangible assets	6(22)	(760)	(18,232)
Disposal of subsidiary		-	(2,817)
Decrease (increase) of refundable deposits (other non-current asset)		(32)	(833)
Increase other non-current assets		-	(7,500)
Net cash outflow from investment activities		101,928	(48,825)
Cash flow from financing activities			
Increase (decrease) short term loan	6(23)	-	11,500
Short term loan repayment	6(23)	(100,000)	-
Long term loan repayment	6(23)	-	(3,636)
Lease liabilities principle repayment	6(23)	(3,678)	(4,172)
Cash dividend from capital surplus	6(15)	(9,054)	-
Cash dividend distribution	6(16)	(45,269)	(54,375)
Issuance of company bond	6(23)	300,350	-

Decrease of received deposits	-	(3)
Net cash inflow (outflow) from financing activities	142,349	(50,686)
Effect of exchange rate to cash and cash equivalent	-	36
Net decrease in cash and cash equivalent	412,793	(66,189)
Cash and cash equivalent at beginning of period	257,242	229,124
Cash and cash equivalent at end of perio d	$ 670,035	$ 162,935

ENE Technology Inc. and Subsidiaries
Notes to Consolidated Financial Statements
January 1st to June30th , 2024 & 2023

Unit：NTD$ thousands
(except otherwise indicated)

1. Company history

ENE TECHNOLOGY INC. (the "Company") was incorporated as a company by shares on May 20th, 1998. The Company and its subsidiaries (the "Group") is focused on the R&D, design, development, production and sales of electronic components, information software and circuit design services.

Alcor Micro Corp. is the parent company since June 9th , 2022, the ultimate controlling parent company is Egis Technology Inc.

2. The date and procedure of authorization for issuance of the consolidated financial statements

These consolidated financial statements were approved and authorized by the Board of Directors on July 31st , 2024.

3. Application of New Standards, Amendments, Principles and Interpretations

(1) Effects of the adoption of new issuances of or amendments to International Financial Reporting Standards (IFRS) as endorsed by the Financial Supervisory Commission (FSC)

The new standards, amendments, principles and interpretations endorsed by the FSC effective from 2024 adopted by the Company are as follows

New Standards／Amendments／Principles and Interpretations	Effective date by IASB
Amendments to IFRS 16 "Lease liabilities in a sale and leaseback"	2024.01.01
Amendments to IAS 1 "To classify debt as current or non-current"	2024.01.01
Amendments to IAS 1 "Non-current liabilities with contractual terms"	2024.01.01
Amendments to IAS 7 and IFRS 7 "Supplier finance arrangements"	2024.01.01

After assessing the above standards and interpretations, the Group found no major impact on the consolidated financial report.

(2) The impact of IFRSs issued by IASB and endorsed by the FSC

As of the date the following IFRSs that have been issued by the IASB, and endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective date by IASB
Amendments to IAS 21 "Lack of exchangeability"	2025.01.01

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

As of the date the following IFRSs that have been issued by the IASB, but not yet endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective date by IASB
Amendments to IFRS 9 and IFRS 7 "Classification and measurements of financial instruments"	2026.01.01
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture"	TBD
IFRS 17 "Insurance Contracts"	2024.01.01
Amendments to IFRS 17 "Insurance Contracts"	2024.01.01
Amendments to IFRS 17 "Initial application of IFRS 17 and IFRS 9 – Comparative information"	2024.01.01
IFRS 18 "presentation and disclosure in Financial Statements	2027.01.01
IFRS 19 Subsidiaries without Public Accountability: Disclosures	2027.01.01
Improvements to IFRS 2010s- Version 11th	2026.01.01

Other than IFRS18 is to be evaluated, the Group found no major impact on the consolidated financial report after assessing the above standards and interpretations.

4. Summary of Significant Accounting Policies

The principle accounting policies applied in the preparation of the consolidated financial statements are outlined below. These policies have been applied consistently to all the periods presented, unless otherwise stated.

(1) Statement of Compliance

1. These consolidated financial statements are prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein after as the "IFRSs").
2. Please read 2023 annual report as complimentary material.

(2) Preparation basis

1. Other than the items below, the consolidated report is prepared based on historical cost:
   (1) Financial asset and liability at fair value through profit and loss, financial asset and liability at fair value through other comprehensive income.
   (2) Defined benefit asset measured by pension asset less present value of

defined benefit obligation.

2. Please refer to Note 5 for significant assumptions and estimations.

(3) Basis of consolidation

1. Preparation of the consolidated financial report
   Principles for preparing the report is the same as the 2023 annual financial report.
2. List of subsidiaries in the consolidated financial statements:
   The company sold 100% holding of ENE Touch on 2024.04.20th .
3. List of subsidiaries which are not included in the consolidated financial statement: None.
4. Adjustment and treatment for subsidiaries with different accounting periods: None.
5. Significant restrictions: None.
6. Subsidiaries with significant non-controlling interests in the Group: None.

(4) <u>Convertible company bonds</u>

The convertible corporate bonds payable issued by the Group are embedded with conversion rights (that is, the right of the holder to choose to convert into ordinary shares of the Group, and a fixed amount of shares is converted into a fixed number of shares) and buy-back rights. At the time of initial issuance, the issuance price is divided into financial assets, financial liabilities or equity according to the issuance conditions, and the processing is as follows:

1. Embedded repurchase right: "Financial assets measured at fair value through profit or loss" are accounted for at the net fair value at the time of original recognition; subsequently on the balance sheet date, the fair value at that time is evaluated, and the difference is recognized. "Gain or loss on a financial asset measured at fair value through profit or loss".

2. The master contract of corporate bonds: measured at fair value at the time of original recognition, and the difference between the redemption value and the premium of the corporate bonds is recognized as the premium and discount payable on the corporate bonds; subsequently, the effective interest method is adopted and the amortization procedure is adopted and recognized in profit and loss during the circulation period. As an adjustment item for "financial costs".

3. Embedded conversion rights (in line with the definition of equity): At the time of original recognition, the remaining value after deducting the above-mentioned "financial assets measured at fair value through profit and loss" and "corporate bonds payable" from the issuance amount is accounted as "capital reserve" - Stock options" will not be remeasured in the future.

4. Any directly attributable transaction costs of the issuance are allocated to each component of liability and equity in proportion to the original carrying amounts of the above components.

5. When the holder converts, the liability components of the account (including "corporate debts payable" and "financial assets measured at fair value through profit or loss") are treated according to the subsequent measurement method of their classification, and then based on the liability components as described above. The carrying amount plus the carrying amount of "capital reserve - stock options" is used as the issuance cost of exchanging ordinary shares.

(5) Employment Benefits

The pension cost for the interim period is calculated on the basis of the pension cost rate from the beginning of the year to the end of the current period using the pension cost rate determined by actuarial calculation at the end of the previous financial year. If there are major market changes, major reductions, liquidations, or other major one-off events after the closing date, adjustments will be made, and relevant information will be disclosed in accordance with the aforementioned policies.

(6) Income Tax

The income tax expense for the interim period is calculated by applying the estimated annual average effective tax rate to the pre-tax profit and loss of the interim period, and discloses relevant information in conjunction with the aforementioned policies.

5. Critical Accounting Judgements, Estimations and Key Sources of Assumption Uncertainty

There is no significant changes for the period. Please refer to 2023 Consolidated Financial Report for details.

6. Contents of significant accounts

(1) Cash and Cash Equivalent

	2024.06.30	2023.12.31	2023.06.30
Cash	$ 30	$ 30	$ 30
Cash in Bank and Cheque	448,878	154,024	105,365
Term Deposit	221,127	103,188	57,540
	$ 670,035	$ 257,242	$ 162,935

1. The above said term deposit is deemed as high liquidation investment matured within 3 months.
2. The Group deals with a number of financial institutions with good credibility, to lower credit risks. Thus, the risk to contract breach is deemed very low.
3. Cash and cash equivalents were not pledged for collateral. ◦

(2) Financial assets measured at fair value through P&L

	2024.06.30	2023.12.31	2023.06.30
Current			
Financial assets measured at fair value through P&L Derivative tool- convertible company bonds	$ 420	$ -	$ -

1. Net profit (loss) from financial assets measured at fair value through P&L for the period 0401~0630 of 2024 and 2023 and 0101~0630 of 2023 and 2024 are ($46), $128, ($46) and $130 and respectively.
2. Financial assets measured at fair value through P&L were not pledged for collateral.
3. Please refer to Note 12(3) for details.

(3) Financial assets at amortized cost

	2024.06.30	2023.12.31	2023.06.30
Current			
Term deposit matured more than 3 months	$ 5,000	$ 5,000	$ 5,000
Term deposit pledged for collateral	123,310	225,682	275,615
	$ 128,310	$ 230,682	$ 280,615

Non Current			
Term deposit pledged for collateral	$ 1,068	$ 1,060	$ 1,053

1. Regardless of the collateral held or other credit enhancements, it is the most representative of the Group's holdings of financial assets measured at amortized cost, the largest credit risk on 20240630, 20230630 and 20231231. The insurance amount is the book value of the recognized financial assets.
2. Please refer to Note 8 for details on financial asset at amortized cost pledged as collateral.
3. Please refer to Note 12(2) for the credit risks on financial assets at amortized. cost. It is deemed that the possibility of contract breach is very low.

(4) Account receivables

	2024.06.30	2023.12.31	2023.06.30
Account receivables	$ 177,365	$ 212,048	$ 247,720
Less: allowances for doubtful accounts	(1,281)	(1,083)	(1,174)
	$ 176,084	$ 210,965	$ 246,546

1. Age analysis:

	2024.06.30	2023.12.31	2023.06.30
Not past due	$ 174,313	$ 208,274	$ 244,401
Past due 0~30 days	1,157	2,786	2,145
Past due 31-90 days	1,014	-	-
Past due over 91 days	881	988	1,174
	$ 177,365	$ 212,048	$ 247,720

2. Balance of account receivables as of 2024.06.30, 2023.12.31, 2023.06.30 and 2023.01.01 are $177,365, $212,048, $247,720 and $168,809.
3. The Group adopts a simplified approach to estimate expected credit. losses based on the provision matrix. The loss rate is adjusted based on historical and current information for a specific period to estimate the provision loss of accounts receivable.

4. Expected loss for the Group as of 2024.06.30, 2023.12.31 and 2023.06.30 are as following:

	Not past due	Past due 30 days	Past due 31-90 days	Past due over 91	Total
2024.06.30					
Expected loss %	0%~0.03%	0.84%	33.20%	100%	
AR total	$ 174,313	$ 1,157	$ 1,014	$ 881	$177,365
Allowance for credit impairment loss	$ 52	$ 10	$ 338	$ 881	$ 1,281

	Not past due	Past due 30 days	Past due 31-90 days	Past due over 91	Total
2023.12.31					
Expected loss %	0%~0.03%	0%~0.81%	0%~30.56%	100%	
AR total	$ 208,274	$ 2,786	$ -	$ 988	$212,048
Allowance for credit impairment loss	$ 73	$ 22	$ -	$ 988	$ 1,083

	Not past due	Past due 30 days	Past due 31-90 days	Past due over 91	Total
2023.06.30					
Expected loss %	0%	0%	0%~16.16%	24.92%~100%	
AR total	$ 244,401	$ 2,145	$ -	$ 1,174	$247,720
Allowance for credit impairment loss	$ -	$ -	$ -	$ 1,174	$ 1,174

5. The Group has adapted simplified measure for changes in allowance for impairment loss:

	2024	2023
	Account receivable	Account receivable
01.01	$ 1,083	$ 1,649
Allowance for impairment loss	198	-
Reversal of impairment loss	-	(357)
Impact on the consolidated & individual	-	(118)
06.30	$ 1,281	$ 1,174

6. Please refer to Note 12(2) for details on AR credit risk.

(5) Inventory

2024.06.30	Costs	Allowance for inventory valuation loss	Book Value
Raw material	$ 146,465	($ 47,627)	$ 98,838
Work in process	139,948	(25,551)	114,397
Finished goods	29,946	(4,913)	25,033
	$ 316,359	($ 78,091)	$ 238,268

2023.12.31	Costs	Allowance for inventory valuation loss	Book Value
Raw material	$ 126,217	($ 22,158)	$ 104,059
Work in process	190,614	(28,817)	161,797
Finished goods	30,273	(5,864)	24,409
	$ 347,104	($ 56,839)	$ 290,265

2023.06.30	Costs	Allowance for inventory valuation loss	Book Value
Raw material	$ 152,072	($ 8,577)	$ 143,495
Work in process	183,317	(21,334)	161,983
Finished goods	68,286	(5,604)	62,682
	$ 403,675	($ 35,515)	$ 368,160

1.Inventory cost recognized as loss for the period

	2024.04.01~2024.06.30	2023.04.01~2023.06.30
Cost of good sold	$ 108,158	$ 152,196
Inventory valuation loss	15,900	4,639
Unallocated manufacturing overhead	-	203
	$ 124,058	$ 157,038

	2024.01.01~2024.06.30	2023.01.01~2023.06.30
Cost of good sold	$ 220,739	$ 271,338
Inventory valuation loss	21,252	7,437
Unallocated manufacturing overhead	-	814
Others	-	-
	$ 241,991	$ 279,589

2. Inventory was not pledged for collateral.

3. The Group enters a long-term contract with the supplier, which stipulates the minimum amount or quantity to be purchased. If the Group fails to fulfill the contractual amount, the loss shall be recognized as the cost of the current period.

(6) Real estate, plant and equipment

	R&D equipment	Office equipment	Improvement on lease	Total
2024.01.01				
Cost	$ 91,537	$ 19,739	$ 5,247	$ 116,523
Accumulated depreciation	(71,473)	(13,505)	(1,524)	(86,502)
	$ 20,064	$ 6,234	$ 3,723	$ 30,021
2024.01.01	$ 20,064	$ 6,234	$ 3,723	$ 30,021
Acquisition	12,882	1,823	129	14,834
Depreciation expense	(5,457)	(1,113)	(432)	(7,002)
2024.06.30	$ 27,489	$ 6,944	$ 3,420	$ 37,853
2024.06.30				
Cost	$ 103,624	$ 21,438	$ 5,376	$ 130,438
Accumulated depreciation	(76,135)	(14,494)	(1,956)	(92,585)
	$ 27,489	$ 6,944	$ 3,420	$ 37,853

2023

	R&D equipment	Office equipment	Improvement on lease	Equipment to be verified	Total
2023.01.01					
Cost	$ 73,591	$ 17,970	$ 3,417	$ -	$ 94,978
Accumulated depreciation	(63,264)	(11,210)	(1,232)	-	(75,706)
	$ 10,327	$ 6,760	$ 2,185	$ -	$ 19,272
2023.01.01	$ 10,327	$ 6,760	$ 2,185	$ -	$ 19,272
Acquisition	542	-	-	2,700	3,242
Disposal	-	-	(1,109)	-	(1,109)
Depreciation expense	(3,590)	(1,238)	(216)	-	(5,044)
2023.06.30	$ 7,279	$ 5,522	$ 860	$ 2,700	$ 16,361
2023.06.30					
Cost	$ 74,133	$ 17,901	$ 2,065	$ 2,700	$ 96,799
Accumulated depreciation	(66,854)	(12,379)	(1,205)	-	(80,438)
	$ 7,279	$ 5,522	$ 860	$ 2,700	$ 16,361

The real estate, plant and equipment were not pledged for collateral.

(7) Lease－lessee

	2024.06.30	2023.12.31	2023.06.30
Right-of-use assets:			
buildings	$ 21,903	$ 25,248	$ 28,116
Transportation vehicles	1,843	2,250	2,657
	$ 23,746	$ 27,498	$ 30,773
Lease liabilities:			
Current	$ 6,139	$ 6,101	$ 5,419
Non current	17,043	20,759	24,083
	$ 23,182	$ 26,860	$ 29,502

1. The lease include building and transportation vehicle. The contracts are normally 2~5 years. The lease contracts are negotiated separately with different terms and conditions. There are no other restrictions other than leased assets shall not be pledged for collaterals.
2. Depreciation expenses for right-of-use assets:

	20240401~20240630	20230401~20230630
Building	$ 1,673	$ 2,127
Transport vehicle	203	203
	$ 1,876	$ 2,330

	20240101~20240630	20230101~20230630
Building	$ 3,345	$ 3,650
Transport vehicle	407	255
	$ 3,752	$ 3,905

3. Acquisition of right-of-use asset for 01.01 to 06.30, 2024 and 2023 are $0 and $31,557.
4. Car park lease contract does not exceed 12 months. Office printer is regarded as low value lease asset.
5. P& L items related to lease contracts:

	20240401~20240630	20230401~20230630
Interest expense from lease liabilities	$ 166	$ 134
Expenses of short term lease	131	36
Expenses of low-value lease	24	55
Profit from lease change (note)	-	(143)

	20240101~20240630	20230101~20230630
Interest expense from lease liabilities	$ 344	$ 179
Expenses of short term lease	200	109
Expenses of low-value lease	47	79
Profit from lease change (note)	-	(143)

Note: the company has terminated office lease before maturity.

6. Cash outflow from lease for the period 20240401~20240630, 20230401~20230630 and 20240101~20230630, 20230101~20230630 are $2,166, $2,783, $4,269 and $4,539.

(8) Intangible Assets

	2024 Computer software	2023 Computer software
01.01		
Cost	$ 44,255	$ 25,204
Accumulated amortization	(20,393)	(4,369)
	$ 23,862	$ 20,835
01.01	$ 23,862	$ 20,835
Acquisition	8,820	18,772
Reclassified (note)	-	(470)
Amortization expenses	(15,416)	(5,272)
12.31	$ 17,266	$ 33,865
12.31		
Cost	$ 53,075	$ 43,506
Accumulated amortization	(35,809)	(9,641)
	$ 17,266	$ 33,865

Note: Reclassify computer software to prepaid items

Intangible assets amortization expenses:

	20240401~20240630 Computer software	20230401~20230630 Computer software
Administration expenses	$ 620	$ 499
R&D expenses	7,116	2,136
	$ 7,736	$ 2,635

	20240101~20240630	20230101~20230630
	Computer software	Computer software
Administration expenses	$ 1,185	$ 1,000
R&D expenses	14,231	4,272
	$ 15,416	$ 5,272

(9) Short term loan

	2024.06.30	2023.12.31	2023.06.30
Guarantee bank loan	$ 60,000	$ 160,000	$ 207,500
Range of interests	2 .13%	1.71%~1.99%	1.46%~2.02%

1. Unused quota as of 2024.06.30, 2023.12.31 and 2023.06.30 are $320,000, $220,000 and $172,500.
2. Please refer to Note 8 for details on short term loan pledged for collateral.

(10) Other payments

	2024.06.30	2023.12.31	2023.06.30
Dividends	$ 10,279	$ 16,853	$ 11,879
Employee bonus	12,533	13,462	10,558
Salary	3,212	-	977
Compensation to Director of the Board	1,542	2,528	1,782
equipment	1,913	2,371	-
Others	9,034	7,558	6,665
	$ 38,513	$ 42,772	$ 31,861

(11) Company Bond

	20240630
Company bond payable	$ 300,000
Less: discount on company bond	(19,927)
	$ 280,073

1. Not applicable as of 2023.12.31 and 2023.06.30.
2. The issuance of domestic convertible company bond:
   2.1 The issuance conditions for the Company’s third domestic unsecured conversion corporate bonds are as follows:
      a. The company has been approved by the competent authority to raise and issue the third domestic unsecured conversion corporate bonds. The total issuance amount is $300,000, the coupon rate is 0%, the

issuance period is 3 years, and the circulation period is from June 25, 2024 to June 25, 2027. day. When the converted corporate bonds mature, they will be repaid in cash at the face value of the bonds. The converted corporate bonds were listed for trading on the Securities OTC Trading Center of the Republic of China on June 25, 2024.

b. The holders of this convertible corporate bond shall start from the day after the expiration of three months after the issuance date of this bond (September 26, 2024) and end forty days before the expiration date (May 16, 2027), except in accordance with the regulations or Except for the period of book transfer suspension required by law, you may request the company to convert into ordinary shares of the company at any time. The rights and obligations of the converted ordinary shares will be the same as those of the originally issued ordinary shares.

c. The conversion price of the converted corporate bonds is determined in accordance with the pricing model stipulated in the Conversion Regulations. If the company encounters an anti-dilution clause in the future, the conversion price will be adjusted in accordance with the pricing model stipulated in the Conversion Regulations; On the base date established by the regulations, the conversion price will be re-set according to the pricing model stipulated in the conversion regulations. The conversion price of this converted corporate bond is NT$65.8 per share.

d. When the closing price of the company's common stock exceeds 50% of the then-current conversion price for thirty consecutive business days from the day following one month after the issuance of the convertible corporate bonds to forty days before the expiration of the issuance period, or the convertible corporate bonds are issued for three consecutive From the next day of the month to forty days before the expiration of the issuance period, if the outstanding balance of the converted corporate bonds is less than 10% of the original issuance amount, the company may call back all the bonds in cash at the face value of the bonds at any time thereafter.

e. According to the provisions of the conversion regulations, all converted corporate bonds that have been recovered (including bought back by OTC trading centers), repaid or converted by the company will be canceled, and all rights and obligations attached to the corporate bonds will also be extinguished and will no longer be available.

2.2 As of June 30, 2024, the convertible corporate bonds have not yet been converted into ordinary shares and the corporate bonds have not been purchased back.

3. When the company issued convertible corporate bonds, in accordance with the provisions of International Accounting Standards No. 32 "Financial Instruments: Expressions", the company separated the conversion rights of an equity nature from each liability component, and recorded $20,876 in

"Capital Reserves - Others" in the account . According to the provisions of IFRS No. 9 "Financial Instruments", the embedded call right is separated and accounted for as "through profit and loss margin" because it is not closely related to the economic characteristics and risks of the host contract debt product. "Financial assets measured at fair value". The effective interest rate on the Master Contract Debt after separation is 2.03%

(12) Pension

1. Defined benefit

(1) The company and its domestic subsidiaries have established a retirement. method with defined benefits in accordance with the provisions of the "Labor Standards Law", which is applicable to the full-time employees before the implementation of the "Labor Pension Regulations" on July 1, 1994, and after the implementation of the "Labor Pension Regulations", the employees who choose to continue to apply the Labor Standards Law have their subsequent years of service. For employees who meet the retirement requirements, the pension payment is calculated based on the years of service and the average salary of the six months before retirement. The service years within 15 years (inclusive) will be given two bases for each full year, and the service years exceeding 15 years will be paid every year. A base is given for one full year, maximum payout base is 45. The company allocates 2% of the total salary to the retirement fund on a monthly basis in a special account in the name of the Labor Retirement Reserve Fund Supervisory Committee in the Bank of Taiwan. In addition, estimation of the balance of the special account for labor retirement reserves will be made at the end of the year. If the balance is insufficient to cover the estimated amount of pensions calculated for employees who meet the retirement requirements in the next year, the balance will be calculated again before the end of March the following year.

(2) Amount recognized for the pension in according to the above method for the period ending 01.01~06.30 of 2024 and 2023 are both $0.

(3) This group plans to stop making contributions in the fiscal year 2024 as the retirement reserve is fully funded.

2. Determination of Provision Plan.

(1) According to the "Labor Pension Act", the Company and its domestic subsidiaries have established a retirement method with definite contribution, which is applicable to employees of their nationality. The company and domestic subsidiaries choose to apply the part of the labor pension system stipulated in the "Labor Pension Regulations" for employees and contribute labor pensions to the individual accounts of employees of the Labor Insurance Bureau at the rate of 6% of salary every month. The payment of employee pensions is based on the employee's personal pension special account and accumulated income is collected in monthly pension or one-time pension。

(2) According to the pension insurance system stipulated by the government of the People's Republic of China, ENE Touch allocates pension insurance funds according to a certain percentage of the total salary of local employees every month. The pension of each employee is managed and arranged by the government, and the Group has no further obligations other than the monthly allocation.

(3) Amount recognized for the pension in according to the above method for the period ending 04.01~06.30 and 01.01~06.30 of 2024 and 2023 are $1,332, $1,206, $2,527 and $2,422.

(13) Share-based payments

1.Share based payment as of 2024.06.30:

Issuer	Type	Issuance date	Quantity	No. shares available for subscription per unit (shares)	Contract Period	Condition
ENE	Restricted employee stock	2022.05.10	20 thousands unit	1	3years	Continuous employment for 1 year and meet the set KPI, one can exercise in a certain portion (note)
"	"	2022.03.16	980 thousands unit	1	3years	Continuous employment for 1 year and meet the set KPI, one can exercise in a certain portion (note)

New shares with limited employee rights issued by the company may not be sold, pledged, transferred, gifted to others, encumbered, or disposed of in other ways before the vested conditions are met.

Note: For those who meet the service years and performance conditions stipulated in the Regulations on Employee Restricted Shares, the conditions are as follows:

Service with one year: 20%, Service with two years: 30%, Service with three years: 50%

2. Details for the above said share-based payments are as follows:

Restricted Employee Stock (RES) plan

	20240101~20240331 Quantity (thousands)	20230101~20230331 Quantity (thousands)
RES at the beginning of the period	748	1,000
Vested shares at the current period	(281)	(198)
Cancelled shares at the current period	-	(10)
RES at the end of the period	467	792

3. The par value of new shares issued by the Group to restrict employee shares is NT$10 per share, and the issue price per share is NT$0 (free for employees). The closing price on the date of grant $41.5 and $40.25 are used as the measure of fair value.

4. The cost for above said RES for the period ending 04.01~06.30 and

01.01~06.30 2024 and 2023 are $2,079, $3,752, $4,159 and $7,505.

(14) Capital

1. As of 2024.06.30, the registered capital is $950,000, total of 95,000 thousand shares. Actual capital is $452,668 with par value of NT$10. The adjustment of shares for the period as following:

	2024	2023
01.01	45,268,841	45,322,841
Cancellation of REX	-	(10,000)
06.30	45,268,841	45,312,841

2. Restricted employee shares (RES)
In order to attract and retain professional talents and create the best interests of the company and shareholders, the company has passed the resolution of the BOD in March 2022 and May 2022 to issue new shares with restricted employee rights for free. The base date of issuance is March 16, 2022. And on May 10, 2022, the total amount was 1,000,000 shares. The employee's personal retention and annual performance evaluation standards have all met the vested conditions. If the vested conditions are not met, the company has the right to take back its shares without compensation and cancel them. As of March 31, 2024, 1,000,000 shares have been issued, and there are 479 thousands shares vested and 54 thousands canceled shares.

(15) Capital surplus

1. In accordance with the provisions of the Company Law, the surplus from the issuance of shares exceeding the par value and the capital reserve from the receipt of gifts may be used to make up for losses. When the company has no accumulated losses, new shares or cash. In addition, in accordance with the relevant provisions of the Securities and Exchange Act, when the above-mentioned capital reserve is allocated to capital, the total amount shall not exceed 10% of the paid-in capital each year. When the company still has insufficient surplus reserves to make up for capital losses, it may not use capital reserves to compensate it. 。
2. The Shareholders Meeting in June 2023 has approved the proposal to distribute cash from capital surplus, NT$0.2 per share, total of $9,054.

(16) Retained earning/Subsequent events

1. According to the company's Articles, if the company has a surplus in its annual final accounts, in addition to paying taxes in accordance with the law, it should first make up for the accumulated losses, and then allocate 10% of the balance as the statutory surplus reserve, but the statutory surplus reserve This is not the case when the total paid-in capital of the company has been reached; in addition, depending on the company's

operating needs and legal requirements, the special surplus reserve shall be appropriated or reversed. If there is still a surplus, and the undistributed surplus at the beginning of the same period, the board of directors shall propose a shareholder dividend Proposal on distribution, after submitting to the shareholders' meeting for resolution.

2. The company's dividend policy is formulated in accordance with the company law and the company's Articles, and is determined based on factors such as the company's capital and financial structure, operating conditions, earnings, and the nature and cycle of the industry to which it belongs. 50% of the surplus, cash dividends shall be withdrawn at no less than 50% of the total dividends for the year.

3. The statutory surplus reserve shall not be used except to make up for the company's losses and to issue new shares or cash in proportion to the shareholders' original shares.

4. When the company distributes the surplus, according to laws and regulations, the debit balance of other equity items on the balance sheet must be allocated as a special surplus reserve.

5. Earning distributed as approved in Shareholders Meeting on May 30th 2024 and in June 2023 are:

	2023		2022	
	Amount	Dividends/ share	Amount	Dividends/ share
Legal reserve	$ 6,664		$ 7,208	
Cash dividends	45,269	$ 1.00	54,375	$ 1.20
	$ 51,933		$ 61,583	

(17) Operation revenue

1. The Group's revenue is mainly derived from goods transferred at a certain point in time, and revenue can be broken down into the following geographical areas：

20240401~20240630	China	Taiwan	Others	Total
External customer contract	$ 113,367	$ 68,460	$ 5,548	$ 187,375

20230401~20230630	China	Taiwan	Others	Total
External customer contract	$ 162,268	$ 85,775	$ 1,785	$ 249,828

20240101~20230630	China	Taiwan	Others	Total
External customer contract	$ 214,389	$ 143,318	$ 9,009	$ 366,716

20230101~20230630	China	Taiwan	Others	Total
External customer contract	$ 287,458	$ 159,476	$ 3,629	$ 450,563

2. Contract liabilities

	20240630	20231231	20230630
Contract liabilities- income from customer contract	$ -	$ 193	$ 991

The amounts of the Group's contract liabilities recognized as income in the current period in 2024 and 2023 were $193 and $0 respectively.

(18) Other profit and loss

	20240401~20240630	20230401~20230630
Foreign exchange gain (loss)	$ 8,847	$ 13,534
Profit of financial asset through P&L measured by fair value	(46)	128
Loss from disposal of investment	-	(1,160)
Loss from disposal of real estate, plant and equipment	-	(1,109)
Profit from lease change	-	143
others	-	(256)
	$ 8,801	$ 11,280

	20240101~20240630	20230101~20230630
Foreign exchange gain (loss)	$ 36,638	$ 9,686
Profit of financial asset through P&L measured by fair value	(46)	130
Loss from disposal of investment	-	(1,160)
Loss from disposal of real estate, plant and equipment	-	(1,109)
Profit from lease change	-	143
others	-	(261)
	$ 36,592	$ 7,429

(19) Additional information on cost and expense

	20240401~20240630		
	Operation costs	Operation expense	Total
Employee benefit expense			
Salary expense	$ -	$ 33,472	$ 33,472
Share based payment	-	2,079	2,079
Labor and health insurance expense	-	2,266	2,266
Pension expense	-	1,332	1,332

Other HR	-	700	700
	$ -	$ 39,849	$ 39,849
Depreciation expense	$ -	$ 5,522	$ 5,522
Amortization expense	$ -	$ 7,736	$ 7,736

	20230401~20230630		
	Operation costs	Operation expense	Total
Employee benefit expense			
Salary expense	$ -	$ 36,057	$ 36,057
Share based payment	-	3,752	3,752
Labor and health insurance expense	-	1,931	1,931
Pension expense	-	1,206	1,206
Other HR	-	519	519
	$ -	$ 43,465	$ 43,465
Depreciation expense	$ -	$ 4,837	$ 4,837
Amortization expense	$ -	$ 2,635	$ 2,635

	20240101~20240630		
	Operation costs	Operation expense	Total
Employee benefit expense			
Salary expense	$ -	$ 68,167	$ 68,167
Share based payment	-	4,159	4,159
Labor and health insurance expense	-	4,160	4,160
Pension expense	-	2,527	2,527
Other HR	-	1,261	1,261
	$ -	$ 80,274	$ 80,274
Depreciation expense	$ -	$ 10,754	$ 10,754
Amortization expense	$ -	$ 15,416	$ 15,416

	20230101~20230630		
	Operation costs	Operation expense	Total
Employee benefit expense			
Salary expense	$ -	$ 67,372	$ 67,372
Share based payment	-	7,505	7,505
Labor and health insurance expense	-	3,926	3,926
Pension expense	-	2,422	2,422

Other HR	-	1,029	1,029
	$ -	$ 82,254	$ 82,254
Depreciation expense	$ -	$ 8,949	$ 8,949
Amortization expense	$ -	$ 5,272	$ 5,272

1. According to the company's Articles, the company shall allocate no less than 20% of the employee's remuneration and no more than 3% of the BOD's remuneration if there is a balance after deducting the accumulated losses.
2. Remuneration for BOD and employees are as follows:

	20240401~20240630	20230401~20230630
Remuneration to BODs	$ 491	$ 1,170
Remuneration to employees	3,275	7,801
	$ 3,766	$ 8,971

	20240101~20240630	20230101~20230630
Remuneration to BODs	$ 1,542	$ 1,782
Remuneration to employees	10,279	11,879
	$ 11,821	$ 13,661

The estimation of profits is recognized in according to the Articles for the period 01.01~06.30 of 2024 and 2023.

3. The remuneration of directors and employees approved by the board of directors in 2023 is consistent with the amount recognized in the financial report of 2023.
4. Please refer to MOPS for related information.

(20) Income tax

1. Income tax expense

(1) Components of income tax expense:

	20240401~20240630	20230401~20230630
Current income tax:		
Current income tax expense	$ -	$ -
Tax for undistributed earnings	-	498
Under-estimates from previous years	-	209
Income tax total	-	707
Deferred income tax		

Temporary differences- original and reversal	346)	(707)
Income tax expenses	$ 346)	$ -

	20240101~20240630	20230101~20230630
Current income tax:		
Current income tax expense	$ -	$ -
Tax for undistributed earnings	-	498
Under-estimates from previous years	-	209
Income tax total	-	707
Deferred income tax		
Temporary differences- original and reversal	2,051	(707)
Income tax expenses	$ 2,051	$ -

(2) Amount of income tax related to other comprehensive income:

	20240401~20240630	20230401~20230630
Foreign exchange differences related to foreign operations	$ -	($ 41)

	20240101~20240630	20230101~20230630
Foreign exchange differences related to foreign operations	$ -	($ 41)

2. The income tax has been verified by the tax authority until fiscal year 2021.

(21) Earnings per share

20240401~20240630	$ after tax	Weighted average Outstanding shares (thousand shares)	EPS (Dollar)
Basic EPS			
Net profit attributed to common shareholders of the parent company	$ 12,958	44,799	$ 0.29
Diluted EPS			
Net profit attributed to common shareholders of the parent company	$ 12,958	44,799	
Potential dilution impact			
RES	-	402	
Employee remuneration	-	177	
Convertible bond	144	253	
Potential dilution impact attributed to the parent company	$ 13,102	45,631	$ 0.29

20230401~20230630	$ after tax	Weighted average Outstanding shares (thousand shares)	EPS (Dollar)
Basic EPS			
Net profit attributed to common shareholders of the parent company	$ 29,215	44,519	$ 0.66
Diluted EPS			
Net profit attributed to common shareholders of the parent company	$ 29,215	44,519	
Potential dilution impact			
RES	-	300	
Employee remuneration	-	220	
Potential dilution impact attributed to the parent company	$ 29,215	45,039	$ 0.65

	20240101~20240630		
	$ after tax	Weighted average Outstanding shares (thousand shares)	EPS (Dollar)
Basic EPS			
Net profit attributed to common shareholders of the parent company	$ 37,524	44,681	$ 0.84
Diluted EPS			
Net profit attributed to common shareholders of the parent company	$ 37,524	44,681	
Potential dilution impact			
RES	-	499	
Employee remuneration	-	243	
Convertible bond	144	126	
Potential dilution impact attributed to the parent company	$ 37,668	45,549	$ 0.83

	20230101~20230630		
	$ after tax	Weighted average Outstanding shares (thousand shares)	EPS (Dollar)
Basic EPS			
Net profit attributed to common shareholders of the parent company	$ 45,775	44,438	$ 1.03
Diluted EPS			
Net profit attributed to common shareholders of the parent company	$ 45,775	44,438	
Potential dilution impact			
RES	-	309	
Employee remuneration	-	411	
Potential dilution impact attributed to the parent company	$ 45,775	45,158	$ 1.01

(22) Additional information to cash flow

Investment activity with partial cash payment:

	20240101~20240630	20230101~20230630
Acquisition of real estate, plant and equipment	$ 14,834	$ 3,242
Add: equipment payment at the beginning of the period	2,371	773
Less: equipment payment at the beginning of the period	(15,125)	-
Cash payment of the period	$ 2,080	$ 4,015

	20240101~20240630	20230101~20230630
Acquisition of intangible assets	$ 8,820	$ 18,772
Add: prepaid at the end of the period	-	7,500
Less: payable (included related party) at the end of the period	(560)	(540)
Cash payment at the beginning of the period	(7,500)	(7,500)
Cash payment of the period	$ 760	$ 18,232

(23) Changes in liabilities from financing activities

2024

	Short term loan	Company bond	Lease liabilities	Total liabilities from financing activities
01.01	$160,000	$ -	$ 26,860	$ 186,860
Changes in financing cash flow	(100,000)	300,350	(3,678)	196,672
Other non-cash changes (note1)	-	(20,277)	-	(20,277)
06.30	$ 60,000	$280,073	$ 23,182	$ 363,255

2023

	Short term loan	Long term loan	Lease liabilities	Total liabilities from financing activities
01.01	$196,000	$ 3,636	$ 10,201	$ 209,837
Changes in financing cash flow	11,500	(3,636)	(4,172)	3,692
Other non-cash changes (note2)	-	-	23,473	23,473
06.30	$207,500	$ -	$ 29,502	$ 237,002

Note1: company bonds and capital surplus (options)
Note2: impact from the foreign exchange

7. **Related party transactions**

(1) Related party

Related party	Relationship
ASUSTek Computer Inc. (Asus)	Key personnel of the Company (Institutional Director)
Siguard Microelectronic Corp. (Siguard)	Key personnel of the Company (Institutional Director)
Alcor Micro International (Alcor)	Key personnel of the Company (Institutional Director)
Egis Technology Inc. (EgisTec)	Ultimate parent entity
Alcortek	Related company
Vasubi Technology Inc.	Related company

(2) Significant transactions with related parties

1.Sales

	20240401~20240630	20230401~20230630
Sales:		
ASUSTek	$ 23,563	$ 25,423

	20240101~20240630	20230101~20230630
Sales:		
ASUSTek	$ 49,935	$ 56,169

Product prices quoted to the related parties were determined by the product. specification. Some discounts were given depending on the total sales quantity. Therefore, prices quoted to the related parties were of no big difference to other customers.

2.Purchasing

	20240401~20240630	20230401~20240630
Outsourcing product purchase		
Egis	$ 73,008	$ -

	20240101~20240630	20230101~20240630
Outsourcing product purchase		
Egis	$ 109,715	$ -

	20240401~20240630	20230401~20230630
Service purchase		
Siguard	$ 2,793	$ 3,868

	20240101~20240630	20230101~20230630
Service purchase		
Siguard	$ 6,493	$ 7,751

The trading conditions between the Company and related parties are no different to those with general suppliers.

3.R&D expenses

	20240401~20240630	20230401~20240630
Eqig	$ -	$ -
Alcor Micro	-	-
Vasubi	169	-
	$ 169	$ -

	20240101~20240630	20230101~20240630
Eqig	$ 34	$ -
Alcor Micro	1,365	-
Vasubi	169	-
	$ 1,568	$ -

Mainly used to pay for R&D pilot run, masks and miscellaneous purchases.

4.Account receivable

	2024.06.30	2023.12.31	2023.06.30
Service purchase			
ASUSTek	$ 35,156	$ 35,161	$ 27,092

There is no bad debt allowances for the related party AR. The AR is mainly from product sales.

5.Related party account payable

	20240630	20231231	20230630
Account payable			
Egis	$ 39,815	$ 19,755	$ -
Siguard	2,936	3,333	2,393
	$ 42,751	$ 23,088	$ 2,393
Other payable-equipment			
Egis	$ 13,212	$ -	$ -
Other payable			
Egis	$ 34	$ -	$ -
Alcor Micro	-	478	-
	$ 34	$ 478	$ -

The AP to related parties mainly comes from purchase transactions, and the amount payable does not bear interest. Other payables mainly include amounts for purchasing expertise and service fees, etc.

6.Assets trading

(1)Acquisition of real estate, plant and equipment

	Accounting Subject	20240401~202400630	20230401~20230630
Egis	Purchase molding equipment	$ 1,011	$ -
Egis	Purchase other equipment	11,391	-
		$ 12,402	$ -

	Accounting Subject	20240101~202400630	20230101~20230630
Egis	Purchase molding equipment	$ 1,215	$ -
Egis	Purchase other equipment	11,391	-
		$ 12,606	$ -

Purchase of molding equipment and masks, please refer to Note 7(5) for unpaid payment at the end of the period. The trading conditions between the Company and related parties are no different to those with general suppliers.

(2)Acquisition of intangible assets

	Accounting Subject	20240401~202400630	20230401~20230630
Egis	Purchase computer software	$ 7,500	$ -

	Accounting Subject	20240101~202400630	20230101~20230630
Egis	Purchase computer software	$ 7,500	$ -

7.Other non-current assets

	20240630	20231231	20230331
Prepaid payment			
Egis	$ -	$ 7,500	$ 7,500
Deposits：			
Algotek	$ 635	$ 595	$ 595

The company has signed a product development contract. The unpaid payment for the period ending 2024.06.30 is $22,500.

8.Lease -leasee

(1)The company rents office from Algoltek. The contract is for 5 years. The right-of-use asset for the period is $14,340. The company pays the rent on monthly basis.

(2)Lease liabilities

A.Amount at the end of the period:

	20240630	20231231	20230630
Algoltek	$ 11,043	$ 12,459	$ 12,865

B.Interest expenses

	20240401~20240630	20230401~20230630
Algoltek	$ 88	$ 67

	20240101~20240630	20230101~20230630
Algoltek	$ 182	$ 67

(3) Key personnel remuneration information

	20240401 ~ 20240630	20230401 ~ 20230630
Salary and other short term employee benefit	$ 8,317	$ 9,804
Post employment benefit	215	213
Share based payment	939	2,199
Total	$ 9,471	$ 12,216

	20240101 ~ 20240630	20230101 ~ 20230630
Salary and other short term employee benefit	$ 17,634	$ 18,386
Post employment benefit	429	409
Share based payment	1,734	2,884
Total	$ 19,797	$ 21,679

8. Pledged Asset

Details of the assets provided as collateral by the Group are as follows:

Asset	20240630	20231231	20230630	Purpose
Term deposit (Note1)	$ 123,310	$ 225,682	$ 275,615	Note 3
Term deposit (Note2)	1,068	1,060	1,053	Note 4
	$ 124,378	$ 226,742	$ 276,668	

Note1: financial asset at amortized cost -current

Note2: financial asset at amortized cost -non current

Note3: guarantee for short term loan

Note4: guarantee for tariff on imported raw material

9. Significant commitments

1. The group has signed a software licensing contract. As of June 30, 2024, the amount not yet paid is $25,025.
2. Please refer to Note7 for details on the unrecognized contractual commitments with related parties.

10. Losses due to major disasters

None.

11. Significant subsequent events

None

12. Others

(1) Capital management

There is no significant changes for the period. Please refer to Note 12(1) of 2023 annual consolidated financial report.

(2) Financial instruments

1.Types

	20240630	20231231	2023 0630
Financial asset			
Financial asset measured at fair value through profit and loss	$ 420	$ -	$ -
amortized cost measurement (note1)	$ 1,015,442	$ 740,492	$ 723,765
Financial liabilities			
Amortized cost measurement(note2)	$ 217,756	$ 299,345	$ 380,548
Convertible company bond	$ 280,073	$ -	$ -
Lease liabilities	$ 23,182	$ 26,860	$ 29,502

Note1: cash and cash equivalent, financial asset at amortized cost, net account receivable (including related parties), other account receivables and refundable deposit.

Note2: account payables (including related parties), other account payable, short term loan, long term loan (including maturity within one year) and refundable deposit.

2.Risk management policy

There is no significant changes. Please refer to Note 12(2) of 2023 annual consolidated financial report.

3.Significana financial risks

There is no significant changes except items below. Please refer to Note 12(2) of 2023 annual consolidated financial report.

(1)Market risks

Exposure to currency risk

A. The Group operates globally, therefore, it is exposed to. various currency exchange rate risks, mainly from the US dollar and the RMB. These exchange rate risks arise from future business transactions and recognized assets and liabilities.

B. The Company financial assets and liabilities exposed to. exchange rate risk were as following:

20240630	Foreign currency ($thousands)	FX rate	Book value (NTD)	Sensitivity analysis Change %	Impact on P&L
Financial asset					
Monetary item					
USD: NTD	$20,216	32.45	$656,009	1%	$ 6,560
Financial liabilities					
Monetary item					
USD: NTD	1,992	32.45	64,640	1%	646

20231231	Foreign currency ($thousands)	FX rate	Book value (NTD)	Sensitivity analysis Change %	Impact on P&L
Financial asset					
Monetary item					
USD: NTD	$21,740	30.71	$667,635	1%	$ 6,676
Financial liabilities					
Monetary item					
USD: NTD	791	30.71	24,292	1%	243

20230630	Foreign currency ($thousands)	FX rate	Book value (NTD)	Sensitivity analysis Change %	Impact on P&L
Financial asset					
Monetary item					
USD: NTD	$20,537	31.14	$639,527	1%	$ 6,395
Financial liabilities					
Monetary item					
USD: NTD	2,774	31.14	86,389	1%	864

Recognized FX translation (loss)gains (realized and unrealized) are $8,847, $13,534, $36,638 and $9,686 for period of 20240401~0630 and 20230401~0630, 20240101~0630 and 20230101~0630.

Price risk

The Group mainly invests in equity instruments of domestic listed and over-the-counter companies and open-ended funds, and the prices of these equity instruments will be affected by the uncertainty of the future value of the underlying investments. In order to manage the price risk of financial instrument investments, the Group diversifies its investment portfolio, which is done in accordance with the limits set by the Group.

When the price of the equity tool is up or down 1%, and all other element remain unchanged, the new profit before income tax result from the equity tool measured at fair value through profit or loss will be increased or decreased by $0 and $0.

Cash flow and fair value interest rate risk

A. The Group's interest rate risk primarily arises from borrowings issued at floating interest rates, exposing the Group to cash flow interest rate risk. In 2024 and 2023, the Group's borrowings issued at floating interest rates were denominated in NTD.

B. When the interest rate of NTD-denominated loans increases or decreases by 1% while all other factors remain unchanged, the profit before tax of the Company for the period 20240101~20240630 and 20230101~20230630 will decrease or increase by $1,038 and $786, respectively, mainly due to the change in interest expenses caused by the floating rate loans.

(2) Liquidity Risk

A. Cash flow forecasts are prepared by individual operating entities within the Group and consolidated by the Group's finance department. The finance department monitors the forecasted cash needs of the Group to ensure that sufficient funds are available to support its operations.

B. The non-derivative financial liabilities of the Group, except for those listed in the table below, are due within one year and represent significant cash flow amounts within one year from March 31, 2024, December 31, 2023 and March 31, 2023, including short-term borrowings, accounts payable, and other payables. These amounts are undiscounted and consistent with the balances of each item in the balance sheet.

20240630	within one year	over one year	total
Non-derivative financial liabilities:			
lease liabilities	$ 6,688	$ 17,598	$ 24,286
Company bond	-	300,000	300,000
20231231	within one year	over one year	total
Non-derivative financial liabilities:			
lease liabilities	$ 6,742	$ 23,007	$ 29,749
20230630	within one year	over one year	total
Non-derivative financial liabilities:			
lease liabilities	$ 6,137	$ 25,164	$ 31,301

(3) Fair value of financial instruments

1. Categories of financial instruments and fair value

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability (directly or indirectly).

Level 3: Assets or liabilities that are not observable market information (unobservable parameters).

2. Financial instrument not measured by fair value

The carrying amount of the financial instruments not measured by fair value (cash and cash equivalent, financial assets at amortized cost, account receivables, other account receivables, account payables, other account payables, refundable deposits, short term loan, long term loan and lease liabilities) is regarded as reasonable fair value.

3. Financial and non-financial instruments measured at fair value are classified by the Group based on the nature, characteristics, risks, and fair value hierarchy of assets and liabilities:

20240630	Level I	Level II	Level III	Total
Assets				
Repetitive fair value				
Financial assets measured through profit/loss by fair value				
Convertible company bond	$ -	$ 420	$ -	$ 420

Not applicable for 20231231 and 20230630.

4. Valuation method and techniques to measure fair value

(1) Valuation techniques for financial instruments measured at fair value:

	Open fund
Market quote	Net worth

(2) If one or more significant parameters cannot be retrieved from the market, the financial instrument shall belong to Level 3.

5. For the period of 20240101~20240630 and 20230101~20230630, there was no transfer of Level1 and Level2

6. For the period of 20240101~20240630 and 20230101~20230630, there was no transfer of financial instruments in Level 3.

13. Other disclosures

(1) Information on significant transactions

1. Loans to other parties: none
2. Guarantees and endorsements for other parties: none
3. Securities held as of end of the period (other than investments in subsidiaries, associates and JVs): Attachment 1

4. Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: none

5. Acquisition of individual property with amount exceeding the lower of NT$300 million or 20% of the capital stock: none

6. Disposal of individual property with amount exceeding the lower of NT$300 million or 20% of the capital stock: none

7. Related party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock: none

8. Receivables from related parties with amount exceeding the lower of NT$100 million or 20% of capital stock: none

9. Trading in derivative instruments: Note 6(2)

10. Business relationship and significant intercompany transactions: none

(2) Investment

None.

(3) Investment in China

1.Basic information: please see attachment I

2. Direct or indirect significant transaction between investee in China and the company: none

(4) Major shareholders

Please refer to attachment I

14. Segment information

(1) General information

The Group is focus on the research and development, design, manufacture and sales of NB related application ICs. The Group operates as a single operation entity.

(2) Department information

1.The profit and loss of the Group's operating departments are measured by pre-tax operating profit and serve as the basis for performance evaluation. The accounting policies and accounting estimates of the operating department are the same as the summary of important accounting policies and important accounting estimates and assumptions described in Notes 4 and 5.

2.External revenue (no revenue from transactions within other operating units of the enterprise), profit and loss, and financial information reported to the chief operating decision maker are the same and measured in a consistent manner as revenue, profit and loss, and financial information in the consolidated income statement。

3.Total asset amount and total liability amount provided to the chief operating decision maker adopts the same measurement method as the assets and liabilities in this financial statement.

ENE Technology Inc and Subsidiaries

Major Shareholders

2024.06.30

Attachment I

Major Shareholders	Shareholding	
	No. of shares	%
Alcor Micro Corp	8,000,000	17.65%