

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

	2024/3/31		2023/12/31		2023/3/31			2024/3/31		2023/12/31		2023/3/31	
	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%
<b>Assets</b>							<b>Liabilities and Equity</b>						
<b>Current assets :</b>							<b>Current liabilities :</b>						
Cash and cash equivalents	\$ 5,273,936	21	\$ 3,200,675	14	\$ 4,006,913	15	Current borrowings	\$ 3,025,470	12	\$ 880,246	4	\$ 3,200,755	12
Current financial assets at fair value through profit or loss	9,052	-	36,298	-	39,981	-	Current financial liabilities at fair value through profit or loss	23,664	-	778	-	6,399	-
Current financial assets at amortised cost	-	-	20,000	-	220,000	1	Accounts payable(including related parties)	3,417,041	14	4,269,356	18	5,199,869	20
Notes and accounts receivable, net	4,136,036	17	4,898,517	21	4,941,038	19	Accrued expenses	398,043	2	565,992	2	511,831	2
Accounts receivable due from related parties, net	97	-	765	-	250	-	Dividends payable, non-cash						
Inventories	7,312,242	30	7,454,980	31	9,438,255	35	assets distributions	743,260	3	-	-	1,208,651	5
Non-current assets or disposal groups classified as held for sale	114,837	-	110,769	-	-	-	Current tax liabilities	401,330	2	378,337	2	533,298	2
Other current assets	779,365	3	745,897	3	1,037,076	4	Current provisions	311,498	1	366,787	2	397,598	1
	17,625,565	71	16,467,901	69	19,683,513	74	Liabilities related to non-current assets or disposal groups classified as held for sale	-	-	1,137	-	-	-
<b>Non-current assets :</b>							Other current liabilities, others	2,019,705	8	2,298,891	9	1,924,341	7
Non-current financial assets at fair value through other comprehensive income	191,331	-	191,331	1	171,994	-		10,340,011	42	8,761,524	37	12,982,742	49
Non-current financial assets at amortised cost	168,106	-	171,565	-	128,112	-	<b>Non-current liabilities :</b>						
Property, plant and equipment	4,266,458	17	4,273,214	18	4,431,108	17	Bonds payable	167,765	-	264,612	1	570,126	3
Right-of-use assets	654,702	3	649,134	3	518,016	2	Non-current portion of non-current borrowings	705,000	3	700,000	3	-	-
Intangible assets	1,152,823	5	1,185,129	5	1,273,049	5	Non-current lease liabilities	291,318	1	292,911	1	225,268	1
Deferred tax assets	500,301	2	496,387	2	199,650	1	Net defined benefit liability, non-current	84,913	-	105,243	-	103,860	-
Other non-current assets, others	367,122	2	364,182	2	202,101	1	Other non-current liabilities	344,141	2	344,474	2	135,605	-
	7,300,843	29	7,330,942	31	6,924,030	26		1,593,137	6	1,707,240	7	1,034,859	4
							<b>Total liabilities</b>	11,933,148	48	10,468,764	44	14,017,601	53
							<b>Equity :</b>						
							Ordinary share	5,417,185	22	5,417,185	23	5,417,185	20
							Capital surplus	2,605,072	10	2,595,804	11	2,564,934	10
							Retained earnings :						
							Legal reserve	1,266,681	5	1,266,681	5	1,169,989	4
							Special reserve	226,548	1	226,548	1	447,091	2
							earnings	294,261	1	774,486	3	277,590	1
								1,787,490	7	2,267,715	9	1,894,670	7
							Other equity interest	(83,800)	-	(267,983)	(1)	(215,114)	(1)
							Total equity attributable to owners of parent	9,725,947	39	10,012,721	42	9,661,675	36
							Non-controlling interests	3,267,313	13	3,317,358	14	2,928,267	11
							<b>Total equity</b>	12,993,260	52	13,330,079	56	12,589,942	47
<b>Total assets</b>	<b>\$ 24,926,408</b>	<b>100</b>	<b>\$ 23,798,843</b>	<b>100</b>	<b>\$ 26,607,543</b>	<b>100</b>	<b>Total liabilities and equity</b>	<b>\$ 24,926,408</b>	<b>100</b>	<b>\$ 23,798,843</b>	<b>100</b>	<b>\$ 26,607,543</b>	<b>100</b>

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income**  
For the three-month periods from January 1 to March 31, 2024 and 2023  
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	2024/1/1~2024/3/31		2023/1/1~2023/3/31	
	Amount	%	Amount	%
<b>Operating revenue</b>	\$ 5,180,200	100	7,869,340	100
<b>Operating costs</b>	4,172,315	81	6,469,569	82
<b>Gross profit from operations</b>	1,007,885	19	1,399,771	18
<b>Operating expenses :</b>				
Selling expenses	260,991	5	298,966	4
Administrative expenses	242,692	4	315,152	4
Research and development expenses	398,475	8	463,188	6
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	8,674	-	9,155	-
<b>Total operating expenses</b>	910,832	17	1,086,461	14
<b>Net operating income (loss)</b>	97,053	2	313,310	4
<b>Non-operating income and expenses :</b>				
Other income	33,771	1	19,836	-
Other gains and losses	(7,931)	-	(45,409)	(1)
Finance costs	(32,771)	(1)	(31,541)	-
Interest income	12,878	-	17,061	-
<b>Total non-operating income and expenses</b>	5,947	-	(40,053)	(1)
<b>Profit (loss) before tax</b>	103,000	2	273,257	3
<b>Tax expenses</b>	23,241	-	86,403	1
<b>Profit (loss)</b>	79,759	2	186,854	2
<b>Other comprehensive income:</b>				
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>				
Gains (losses) on remeasurements of defined benefit plans	648	-	-	-
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>	648	-	-	-
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>				
Exchange differences on translation	228,066	4	4,210	-
<b>Toral Components of other comprehensive income that will be reclassified to profit or loss</b>	228,066	4	4,210	-
<b>Other comprehensive income, net</b>	228,714	4	4,210	-
<b>Total comprehensive income</b>	<b>\$ 308,473</b>	<b>6</b>	<b>191,064</b>	<b>2</b>
<b>Profit (loss), attributable to:</b>				
Profit (loss), attributable to owners of parent	\$ 66,508	2	173,899	2
Profit (loss), attributable to non-controlling interests	13,251	-	12,955	-

**ALPHA NETWORKS INC. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
For the three-month periods from January 1 to March 31, 2024 and 2023  
(Expressed in thousands of New Taiwan dollars)

	<u>2024/1/1~2024/3/31</u>	<u>2023/1/1~2023/3/31</u>
<b>Cash flows from (used in) operating activities:</b>		
<b>Profit before tax</b>	\$ 103,000	273,257
<b>Adjustments</b>		
<b>Adjustments to reconcile profit (loss)</b>		
Depreciation expenses	130,238	140,964
Amortization expenses	53,556	55,264
Expected credit gain	8,674	9,155
Net loss on financial assets or liabilities at fair value through profit or loss	20,640	6,055
Interest expense	32,771	31,541
Interest income	(12,878)	(17,061)
Loss on disposal of property, plant and equipment	575	-
Provision for inventory obsolescence and devaluation loss	50,382	84,592
Gain on disposal of investments	0	(1,775)
<b>Total adjustments to reconcile profit (loss)</b>	<u>283,958</u>	<u>308,735</u>
<b>Changes in operating assets and liabilities:</b>		
Notes and accounts receivable (including related parties)	807,329	643,069
Financial assets mandatorily at fair value through profit or loss	30,309	(604)
Inventories	187,055	(76,699)
Other current assets	(29,982)	48,959
Financial liabilities held for trading	(778)	(9,836)
Accounts payable (including related parties)	(878,885)	160,785
Other payable to related parties	7,977	(2,968)
Other current liabilities	(523,251)	(832,949)
Net defined benefit liability	(19,682)	(41,782)
Other non-current liabilities	(1,449)	(12,597)
<b>Total changes in operating assets and liabilities</b>	<u>(421,357)</u>	<u>(124,622)</u>
<b>Total adjustments</b>	<u>(137,399)</u>	<u>184,113</u>
Cash flows generated from (used in) operations	(34,399)	457,370
Interest received	12,980	16,653
Interest paid	(21,428)	(27,436)
Income taxes paid	(2,908)	(34,370)
<b>Net cash flows used in operating activities</b>	<u>(45,755)</u>	<u>412,217</u>
<b>Cash flows from (used in) investing activities</b>		
Proceeds from disposal of financial assets at fair value through profit or loss	-	23,766
Acquisition of financial assets at amortised cost	-	(220,000)
Proceeds from repayments of financial assets at amortised cost	41,000	2,730
Acquisition of property, plant and equipment	(31,703)	(356,967)
Proceeds from disposal of property, plant and equipment	-	20,835
(Increase) decrease in refundable deposits	(15,044)	13,981
Acquisition of intangible assets	(20,481)	(23,956)
Increase in other non-current assets	9,390	191,755
Other investing activities	(19,189)	-
<b>Net cash flows from (used in) investing activities</b>	<u>(36,027)</u>	<u>(347,856)</u>
<b>Cash flows from (used in) financing activities:</b>		
Increase in short-term loans	3,406,548	2,813,046
Decrease in short-term loans	(1,330,495)	(3,445,699)
Proceeds from issuing bonds	-	631,884
Proceeds from long-term borrowings	5,000	-
Repayments of long-term borrowings	-	(26,000)
Decrease in guarantee deposits received	(124)	(443)
Payments of lease liabilities	(9,007)	(11,341)
Due to donation assets received	10	16
<b>Net cash flows from (used in) financing activities</b>	<u>2,071,932</u>	<u>(38,537)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<u>83,111</u>	<u>(103,195)</u>
<b>Net decrease in cash and cash equivalents</b>	2,073,261	(77,371)
<b>Cash and cash equivalents at beginning of period</b>	3,200,675	4,084,284
<b>Cash and cash equivalents at end of period</b>	<u>\$ 5,273,936</u>	<u>4,006,913</u>