

Silergy Corp.
(Incorporated in the Cayman Islands)
and Subsidiaries

**Consolidated Financial Statements for the
Six Months Ended June 30, 2024 and 2023 and
Independent Auditors' Report**

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Silergy Corp.

Opinion

We have audited the accompanying consolidated financial statements of Silergy Corp. and its subsidiaries (collectively referred to as the “Company”), which comprise the consolidated balance sheets as of June 30, 2024 and 2023, and the consolidated statements of comprehensive income for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the consolidated statements of changes in equity and cash flows for the six months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of June 30, 2024 and 2023, and its consolidated financial performance for the three months ended June 30, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 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 and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the six months ended June 30, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company's consolidated financial statements for the six months ended June 30, 2024 are stated as follows:

Occurrence of Sales Revenue for Specific Customers

The sales revenue amounted to NT\$8,456,870 thousand for the six months ended June 30, 2024. The revenue of specific clients has grown significantly, and the sales amount was significant; thus, the occurrence of sales revenue for specific clients was identified as the key audit matter.

The audit procedures performed for this key audit matter were as follows:

1. We obtained an understanding of and evaluated operating procedures and internal control related to revenue recognition. We tested the design and implementation effectiveness of the control.
2. We sampled and tested sales transactions from specific agents by inspecting orders, delivery documents, receipts of payment and sending confirmation letters in order to validate the occurrence of sales revenue.
3. We confirmed whether there were any material sales returns, discounts and supporting documents for the year ended June 30, 2024 and subsequent periods.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including members of the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the six months ended June 30, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Ming-Yen Chien and Chun-Hung Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

August 29, 2024

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2024		December 31, 2023		June 30, 2023	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 12,363,765	33	\$ 12,694,412	37	\$ 15,123,735	45
Financial assets at amortized cost - current (Note 8)	7,291,338	20	5,728,588	17	1,292,867	4
Accounts receivable, net (Notes 9 and 23)	2,055,042	6	1,784,939	5	1,334,486	4
Other receivables (Notes 9 and 30)	161,188	-	530,092	1	234,524	1
Inventories (Note 10)	2,235,270	6	1,817,170	5	3,830,020	11
Other current assets (Note 18)	<u>620,410</u>	<u>2</u>	<u>297,787</u>	<u>1</u>	<u>276,741</u>	<u>1</u>
Total current assets	<u>24,727,013</u>	<u>67</u>	<u>22,852,988</u>	<u>66</u>	<u>22,092,373</u>	<u>66</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 7 and 29)	4,109,445	11	4,122,780	12	4,003,445	12
Investments accounted for using the equity method (Note 12)	915,608	2	941,175	3	849,604	2
Property, plant and equipment (Note 13)	3,167,350	9	2,350,218	7	1,932,628	6
Right-of-use assets (Note 14)	846,672	2	837,759	2	871,952	3
Investment properties (Note 15)	524,798	1	537,704	2	576,526	2
Goodwill (Note 16)	1,485,683	4	1,406,832	4	1,519,230	5
Other intangible assets (Note 17)	546,009	1	540,692	2	637,283	2
Deferred tax assets (Note 4)	216,856	1	323,851	1	293,213	1
Refundable deposits (Notes 30 and 31)	342,661	1	325,853	1	433,693	1
Long-term accounts receivable, net (Note 11)	193,513	1	164,738	-	163,763	-
Long-term prepayments (Note 18)	<u>28,621</u>	<u>-</u>	<u>17,422</u>	<u>-</u>	<u>59,252</u>	<u>-</u>
Total non-current assets	<u>12,377,216</u>	<u>33</u>	<u>11,569,024</u>	<u>34</u>	<u>11,340,589</u>	<u>34</u>
TOTAL	<u>\$ 37,104,229</u>	<u>100</u>	<u>\$ 34,422,012</u>	<u>100</u>	<u>\$ 33,432,962</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowing (Note 19)	\$ 446,217	1	\$ 160,403	1	\$ -	-
Notes and accounts payable	903,891	3	487,961	1	469,244	2
Accounts payable - related parties (Note 30)	11,561	-	3,577	-	5,486	-
Other payables (Note 20)	1,053,114	3	1,056,888	3	694,965	2
Current tax liabilities	75,558	-	113,651	-	265,170	1
Lease liabilities - current (Note 14)	90,233	-	84,538	-	90,312	-
Other current liabilities (Notes 20, 23 and 30)	<u>34,319</u>	<u>-</u>	<u>42,981</u>	<u>-</u>	<u>35,586</u>	<u>-</u>
Total current liabilities	<u>2,614,893</u>	<u>7</u>	<u>1,949,999</u>	<u>5</u>	<u>1,560,763</u>	<u>5</u>
NON-CURRENT LIABILITIES						
Long-term borrowing (Note 19)	525,137	1	-	-	-	-
Deferred tax liabilities (Note 4)	44,790	-	68,352	-	75,442	-
Lease liabilities - non-current (Note 14)	190,199	1	205,476	1	216,638	1
Net defined benefit liabilities - non-current (Notes 4 and 21)	3,233	-	2,902	-	1,596	-
Guarantee deposits (Note 31)	156,708	1	654,754	2	1,089,919	3
Other non-current liabilities	<u>4</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>10</u>	<u>-</u>
Total non-current liabilities	<u>920,071</u>	<u>3</u>	<u>931,494</u>	<u>3</u>	<u>1,383,605</u>	<u>4</u>
Total liabilities	<u>3,534,964</u>	<u>10</u>	<u>2,881,493</u>	<u>8</u>	<u>2,944,368</u>	<u>9</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 22 and 27)						
Share capital						
Ordinary shares	963,603	3	960,498	3	957,828	3
Share capital awaiting retirement	(1,068)	-	-	-	-	-
Total share capital	<u>962,535</u>	<u>3</u>	<u>960,498</u>	<u>3</u>	<u>957,828</u>	<u>3</u>
Capital surplus	<u>12,826,771</u>	<u>35</u>	<u>12,407,582</u>	<u>36</u>	<u>11,799,564</u>	<u>35</u>
Retained earnings						
Legal reserve	996,568	3	996,568	3	996,568	3
Special reserve	596,716	2	213,051	1	213,051	1
Unappropriated earnings	<u>16,890,038</u>	<u>45</u>	<u>17,386,408</u>	<u>50</u>	<u>16,756,545</u>	<u>50</u>
Total retained earnings	<u>18,483,322</u>	<u>50</u>	<u>18,596,027</u>	<u>54</u>	<u>17,966,164</u>	<u>54</u>
Other equity						
Exchange differences on translating foreign operations	1,020,296	3	(596,716)	(2)	(524,250)	(2)
Unearned employee benefits	(128,168)	(1)	(439,577)	(1)	(351,785)	(1)
Total other equity	<u>892,128</u>	<u>2</u>	<u>(1,036,293)</u>	<u>(3)</u>	<u>(876,035)</u>	<u>(3)</u>
Treasury shares	<u>(239,746)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equity attributable to owners of the Company	<u>32,925,010</u>	<u>89</u>	<u>30,927,814</u>	<u>90</u>	<u>29,847,521</u>	<u>89</u>
NON-CONTROLLING INTERESTS (Note 11)	<u>644,255</u>	<u>1</u>	<u>612,705</u>	<u>2</u>	<u>641,073</u>	<u>2</u>
Total equity	<u>33,569,265</u>	<u>90</u>	<u>31,540,519</u>	<u>92</u>	<u>30,488,594</u>	<u>91</u>
TOTAL	<u>\$ 37,104,229</u>	<u>100</u>	<u>\$ 34,422,012</u>	<u>100</u>	<u>\$ 33,432,962</u>	<u>100</u>

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

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings/Loss Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE, NET (Note 23)	\$ 4,615,270	100	\$ 3,597,738	100	\$ 8,456,870	100	\$ 7,032,402	100
OPERATING COSTS (Notes 10, 24 and 30)	<u>2,134,029</u>	<u>46</u>	<u>2,133,908</u>	<u>59</u>	<u>3,984,146</u>	<u>47</u>	<u>4,038,662</u>	<u>57</u>
GROSS PROFIT	<u>2,481,241</u>	<u>54</u>	<u>1,463,830</u>	<u>41</u>	<u>4,472,724</u>	<u>53</u>	<u>2,993,740</u>	<u>43</u>
OPERATING EXPENSES (Notes 9, 21, 24 and 30)								
Selling and marketing expenses	399,492	9	334,558	9	864,818	10	672,614	10
General and administrative expenses	243,593	5	218,115	6	477,033	6	443,538	6
Research and development expenses	1,291,152	28	1,240,410	35	2,510,605	30	2,408,822	34
Expected credit loss (gain on reversal) recognized on trade receivables	<u>6</u>	<u>-</u>	<u>(17,020)</u>	<u>-</u>	<u>107</u>	<u>-</u>	<u>1,056</u>	<u>-</u>
Total operating expenses	<u>1,934,243</u>	<u>42</u>	<u>1,776,063</u>	<u>50</u>	<u>3,852,563</u>	<u>46</u>	<u>3,526,030</u>	<u>50</u>
OTHER OPERATING INCOME AND EXPENSES, NET (Note 24)	<u>618</u>	<u>-</u>	<u>3,857</u>	<u>-</u>	<u>4,827</u>	<u>-</u>	<u>8,148</u>	<u>-</u>
PROFIT (LOSS) FROM OPERATIONS	<u>547,616</u>	<u>12</u>	<u>(308,376)</u>	<u>(9)</u>	<u>624,988</u>	<u>7</u>	<u>(524,142)</u>	<u>(7)</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income	137,171	3	149,493	4	291,246	4	300,000	4
Other income (Note 24)	66,689	1	27,656	1	191,897	2	183,200	2
Interest expenses (Note 24)	(4,990)	-	(641)	-	(5,857)	-	(1,106)	-
Foreign exchange gain, net (Note 32)	69,703	2	70,715	2	109,624	1	46,782	1
Share of loss of associates (Note 12)	(35,296)	(1)	(30,964)	(1)	(77,804)	(1)	(89,187)	(1)
(Loss) gain on financial instruments at fair value through profit or loss (Notes 7 and 29)	(144,337)	(3)	(55,620)	(2)	(251,976)	(3)	94,138	1
Miscellaneous expenses	<u>(8,816)</u>	<u>-</u>	<u>(9,935)</u>	<u>-</u>	<u>(21,443)</u>	<u>-</u>	<u>(19,817)</u>	<u>-</u>
Total non-operating income and expenses	<u>80,124</u>	<u>2</u>	<u>150,704</u>	<u>4</u>	<u>235,687</u>	<u>3</u>	<u>514,010</u>	<u>7</u>
PROFIT (LOSS) BEFORE INCOME TAX	627,740	14	(157,672)	(5)	860,675	10	(10,132)	-
INCOME TAX (EXPENSE) BENEFIT (Notes 4 and 25)	<u>(76,190)</u>	<u>(2)</u>	<u>22,907</u>	<u>1</u>	<u>(235,246)</u>	<u>(3)</u>	<u>50,233</u>	<u>1</u>
NET PROFIT (LOSS) FOR THE PERIOD	<u>551,550</u>	<u>12</u>	<u>(134,765)</u>	<u>(4)</u>	<u>625,429</u>	<u>7</u>	<u>40,101</u>	<u>1</u>

(Continued)

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings/Loss Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2024		2023		2024		2023	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Exchange differences arising on translation to the presentation currency	\$ 460,808	10	\$ 639,542	18	\$ 1,794,993	21	\$ 385,559	5
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	<u>(99,765)</u>	<u>(2)</u>	<u>(963,171)</u>	<u>(27)</u>	<u>(147,899)</u>	<u>(1)</u>	<u>(710,172)</u>	<u>(10)</u>
Other comprehensive income (loss) for the period, net of income tax	<u>361,043</u>	<u>8</u>	<u>(323,629)</u>	<u>(9)</u>	<u>1,647,094</u>	<u>20</u>	<u>(324,613)</u>	<u>(5)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>\$ 912,593</u>	<u>20</u>	<u>\$ (458,394)</u>	<u>(13)</u>	<u>\$ 2,272,523</u>	<u>27</u>	<u>\$ (284,512)</u>	<u>(4)</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 560,604	12	\$ (103,080)	(3)	\$ 638,611	7	\$ 115,297	2
Non-controlling interests	<u>(9,054)</u>	<u>-</u>	<u>(31,685)</u>	<u>(1)</u>	<u>(13,182)</u>	<u>-</u>	<u>(75,196)</u>	<u>(1)</u>
	<u>\$ 551,550</u>	<u>12</u>	<u>\$ (134,765)</u>	<u>(4)</u>	<u>\$ 625,429</u>	<u>7</u>	<u>\$ 40,101</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the Company	\$ 916,428	20	\$ (409,920)	(12)	\$ 2,255,623	27	\$ (195,902)	(3)
Non-controlling interests	<u>(3,835)</u>	<u>-</u>	<u>(48,474)</u>	<u>(1)</u>	<u>16,900</u>	<u>-</u>	<u>(88,610)</u>	<u>(1)</u>
	<u>\$ 912,593</u>	<u>20</u>	<u>\$ (458,394)</u>	<u>(13)</u>	<u>\$ 2,272,523</u>	<u>27</u>	<u>\$ (284,512)</u>	<u>(4)</u>
EARNINGS (LOSS) PER SHARE (Note 26)								
Basic	<u>\$ 1.46</u>		<u>\$ (0.27)</u>		<u>\$ 1.66</u>		<u>\$ 0.30</u>	
Diluted	<u>\$ 1.42</u>		<u>\$ (0.27)</u>		<u>\$ 1.62</u>		<u>\$ 0.29</u>	

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

(Concluded)

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company								Other Equity (Note 27)					Non-controlling Interests (Note 11)	Total Equity
	Ordinary Shares (Note 22)			Capital Surplus (Notes 22 and 27)	Retained Earnings (Note 22)			Total Retained Earnings (Note 22)	Exchange Differences on Translating Foreign Operations	Unearned Employee Benefits	Total Other Equity (Note 27)	Treasury Shares (Note 22)	Total		
	Common Share	Share Capital Awaiting Retirement	Total Ordinary Shares		Legal Reserve	Special Reserve	Unappropriated Earnings								
BALANCE AT JANUARY 1, 2023	\$ 953,900	\$ -	\$ 953,900	\$ 10,946,900	\$ 996,568	\$ 1,461,963	\$ 17,103,077	\$ 19,561,608	\$ (213,051)	\$ (486,073)	\$ (699,124)	\$ -	\$ 30,763,284	\$ 728,770	\$ 31,492,054
Appropriation of the 2022 earnings	-	-	-	-	-	(1,248,912)	1,248,912	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	-	(1,710,741)	(1,710,741)	-	-	-	-	(1,710,741)	-	(1,710,741)
Cash dividends distributed by Silergy Corp.	-	-	-	-	-	(1,248,912)	(461,829)	(1,710,741)	-	-	-	-	(1,710,741)	-	(1,710,741)
Changes in percentage of ownership interests in subsidiaries	-	-	-	21,575	-	-	-	-	-	-	-	-	21,575	(21,575)	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	-	2,556	-	-	-	-	-	-	-	-	2,556	-	2,556
Recognition compensation cost of employee share options by Silergy Corp.	-	-	-	567,194	-	-	-	-	-	-	-	-	567,194	-	567,194
Net profit (loss) for the six months ended June 30, 2023	-	-	-	-	-	-	115,297	115,297	-	-	-	-	115,297	(75,196)	40,101
Other comprehensive loss for the six months ended June 30, 2023, net of income tax	-	-	-	-	-	-	-	-	(311,199)	-	(311,199)	-	(311,199)	(13,414)	(324,613)
Total comprehensive income (loss) for the six months ended June 30, 2023	-	-	-	-	-	-	115,297	115,297	(311,199)	-	(311,199)	-	(195,902)	(88,610)	(284,512)
Issue of common shares under employee share options	3,539	-	3,539	203,777	-	-	-	-	-	-	-	-	207,316	-	207,316
Issue of restricted shares of stock and recognition of related compensation cost	389	-	389	57,562	-	-	-	-	-	134,288	134,288	-	192,239	-	192,239
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	22,488	22,488
BALANCE AT JUNE 30, 2023	\$ 957,828	\$ -	\$ 957,828	\$ 11,799,564	\$ 996,568	\$ 213,051	\$ 16,756,545	\$ 17,966,164	\$ (524,250)	\$ (351,785)	\$ (876,035)	\$ -	\$ 29,847,521	\$ 641,073	\$ 30,488,594
BALANCE AT JANUARY 1, 2024	\$ 960,498	\$ -	\$ 960,498	\$ 12,407,582	\$ 996,568	\$ 213,051	\$ 17,386,408	\$ 18,596,027	\$ (596,716)	\$ (439,577)	\$ (1,036,293)	\$ -	\$ 30,927,814	\$ 612,705	\$ 31,540,519
Appropriation of the 2023 earnings	-	-	-	-	-	383,665	(383,665)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	-	(751,316)	(751,316)	-	-	-	-	(751,316)	-	(751,316)
Cash dividends distributed by Silergy Corp.	-	-	-	-	-	383,665	(1,134,981)	(751,316)	-	-	-	-	(751,316)	-	(751,316)
Changes in percentage of ownership interests in subsidiaries	-	-	-	(14,650)	-	-	-	-	-	-	-	-	(14,650)	14,650	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	-	-	6,185	-	-	-	-	-	-	-	-	6,185	-	6,185
Recognition compensation cost of employee share options by Silergy Corp.	-	-	-	510,646	-	-	-	-	-	-	-	-	510,646	-	510,646
Net profit (loss) for the six months ended June 30, 2024	-	-	-	-	-	-	638,611	638,611	-	-	-	-	638,611	(13,182)	625,429
Other comprehensive income for the six months ended June 30, 2024, net of income tax	-	-	-	-	-	-	-	-	1,617,012	-	1,617,012	-	1,617,012	30,082	1,647,094
Total comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	-	638,611	638,611	1,617,012	-	1,617,012	-	2,255,623	16,900	2,272,523
Issue of common shares under employee share options	3,105	-	3,105	172,999	-	-	-	-	-	-	-	-	176,104	-	176,104
Issue of restricted shares of stock and recognition of related compensation cost	-	-	-	-	-	-	-	-	-	54,350	54,350	-	54,350	-	54,350
Buy-back of ordinary shares	-	-	-	-	-	-	-	-	-	-	-	(239,746)	(239,746)	-	(239,746)
Cancellation of employee restricted shares	-	(1,068)	(1,068)	(255,991)	-	-	-	-	-	257,059	257,059	-	-	-	-
BALANCE AT JUNE 30, 2024	\$ 963,603	\$ (1,068)	\$ 962,535	\$ 12,826,771	\$ 996,568	\$ 596,716	\$ 16,890,038	\$ 18,483,322	\$ 1,020,296	\$ (128,168)	\$ 892,128	\$ (239,746)	\$ 32,925,010	\$ 644,255	\$ 33,569,265

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

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended	
	June 30	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 860,675	\$ (10,132)
Adjustments for:		
Expected credit loss recognized on trade receivables	107	1,056
Net loss (gain) on financial instruments at fair value through profit or loss	251,976	(94,138)
Depreciation expenses	258,488	243,894
Amortization expenses	96,846	104,924
Interest income	(291,246)	(300,000)
Dividend income	(82,751)	(110,795)
Interest expenses	5,857	1,106
Compensation cost of employee share options	510,646	567,194
Compensation cost of restricted employee shares	54,350	192,239
Share of loss of associates	77,804	89,187
Loss on disposal of property, plant and equipment	3,847	22
Gains on disposal of intangible assets	(8,674)	(8,522)
Write-down of inventories	87,039	432,594
Unrealized loss on foreign currency exchange	2,015	3,195
Loss on lease modification	19	-
Changes in operating assets and liabilities		
(Increase) decrease in accounts receivable	(269,684)	283,608
Decrease (increase) in other receivables	299,954	(124,273)
(Increase) decrease in inventories	(582,005)	864,399
(Increase) decrease in prepayments	(106,011)	75,370
Decrease in refundable deposits	-	2,736
Increase (decrease) in notes and accounts payable	415,805	(133,745)
Increase in accounts payable - related parties	7,984	792
Decrease in other payables	(68,585)	(506,431)
Decrease in other current liabilities	(8,662)	(261)
Increase in defined benefit liabilities - non-current	331	233
Decrease in guarantee deposits	(505,357)	(233,197)
Cash generated from operations	1,010,768	1,341,055
Interest received	358,583	276,846
Interest paid	(5,857)	(1,106)
Income tax paid	(409,071)	(120,186)
Net cash generated from operating activities	<u>954,423</u>	<u>1,496,609</u>

(Continued)

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended	
	June 30	
	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	\$ (4,559,396)	\$ -
Proceeds from sale of financial assets at amortized cost	3,249,280	1,132,326
Purchase of financial assets at fair value through profit or loss	(91,242)	(260,605)
Proceeds from capital reduction of financial assets at fair value through profit or loss	56,968	-
Acquisition of property, plant and equipment	(793,907)	(400,895)
Proceeds from disposal of property, plant and equipment	5,013	-
Increase in refundable deposits	(16,808)	(10,534)
Payments for intangible assets	(72,306)	(68,952)
Payments for right-of-use assets	-	(65,795)
Increase in prepayments for business facilities	(18,733)	(22,194)
Increase in long-term prepayments	-	(42,624)
Cash dividends received	<u>82,751</u>	<u>110,795</u>
Net cash (used in) generated from investing activities	<u>(2,158,380)</u>	<u>371,522</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	277,747	-
Increase in long-term borrowings	525,137	-
Increase in guarantee deposits	7,311	29,647
Repayment of the principal portion of lease liabilities	(45,013)	(34,135)
Cash dividends paid	(752,693)	(1,721,681)
Proceeds from exercise of employee share options	176,104	207,316
Treasury shares acquired	(239,746)	-
Partial disposal of interests in subsidiary without a loss of control	<u>-</u>	<u>22,488</u>
Net cash used in financing activities	<u>(51,153)</u>	<u>(1,496,365)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>924,463</u>	<u>(191,711)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(330,647)	180,055
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>12,694,412</u>	<u>14,943,680</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 12,363,765</u>	<u>\$ 15,123,735</u>

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

(Concluded)

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

1. GENERAL INFORMATION

Silergy Corp. (“Silergy”) was incorporated as a limited company under the Company Act of the Cayman Islands on February 7, 2008. Silergy Corp. and its subsidiaries (collectively, the “Group”) mainly design, develop, and sell various integrated circuit products and provide related technical services.

Silergy’s shares have been listed on the Taiwan Stock Exchange since December 2013.

The functional currency of Silergy is the U.S. dollar. However, for greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars, since Silergy’s shares are listed on the Taiwan Stock Exchange.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors on August 29, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

- c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
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 IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 will supersede IAS 1” Presentation of Financial Statements”. The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statements of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 11 and Tables 5 and 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2023.

1) Classification of current and non-current assets and liabilities

Current assets include:

- Assets held primarily for the purpose of trading;
- Assets expected to be realized within 12 months after the reporting period; and
- Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- Liabilities held primarily for the purpose of trading;
- Liabilities due to be settled within 12 months after the reporting period, and
- Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

2) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

3) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

4) Borrowing costs

Borrowing costs directly attributable to an acquisition, construction or production of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than that which is stated above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Refer to the consolidated financial statements of material accounting judgments and key sources of estimation uncertainty for the year ended December 31, 2023.

6. CASH AND CASH EQUIVALENTS

	June 30, 2024	December 31, 2023	June 30, 2023
Cash on hand	\$ 186	\$ 234	\$ 245
Checking accounts and demand deposits	3,888,403	9,851,538	7,524,680
Cash equivalents (investments with original maturities of 3 months or less)			
Time deposits	<u>8,475,176</u>	<u>2,842,640</u>	<u>7,598,810</u>
	<u>\$ 12,363,765</u>	<u>\$ 12,694,412</u>	<u>\$ 15,123,735</u>

Interest rate ranges for bank deposits on the balance sheet date were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Deposits	0.00%-5.33%	0.00%-5.40%	0.00%-5.20%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Financial assets - non-current</u>			
Non-derivative financial assets			
Unlisted limited partnerships (a)			
Shenzhen Anchuang Technology Equity Investment Partnership (Limited Partnership) (“Anchuang”)	\$ 27,319	\$ 26,011	\$ 25,857
Ningbo Meishan Bonded Port Area Anchuang Growth Equity Investment Partnership L.P. (“Ningbo Anchuang”)	79,682	75,866	75,417
Zhenjiang Puhe Equity Investment Fund Partnership (Limited Partnership) (“Puhe”)	45,532	43,352	43,096
Hefei Kangtong Equity Investment Partnership (Limited Partnership) (“Kangtong”)	-	28,427	150,761
Alphatecture Venture Fund Limited Partnership (“Alphatecture”)	221,928	238,898	242,283
Yiwu Huaxin Yuanjing Venture Investment Center L.P. (“Huaxin”)	136,597	130,056	129,287
Hangzhou Xinling Enterprise Management Partnership L.P. (“Xinling”)	142,679	135,847	135,043

(Continued)

	June 30, 2024	December 31, 2023	June 30, 2023
Hefei Walden II IC Industry Investment Partnership L.P. (“Walden”)	\$ 616,246	\$ 612,749	\$ 609,123
Shenzhen Juyuan Xinchuang Capital Fund, LLP (“Juyuan Xinchuang”)	364,259	260,113	258,573
Guangzhou Huaxin Shengjing Venture Capital Center (Limited Partnership) (“Guangzhou Huaxin”)	95,618	91,039	90,501
Xiamen Jianda Guili Equity Partners LLP (“Guili”)	159,363	151,732	150,835
Hangzhou Xinruiwei Equity Investment Partnership (Limited Partnership) (“Xinruiwei”)	-	-	-
Hangzhou Huaxin Yunkai Equity Investment Partnership (Limited Partnership) (“Yunkai”)	136,597	130,056	64,643
Suzhou Juyuan Zhenxin Capital Fund, LLP. (“Juyuan Zhenxin”)	318,727	303,465	301,669
Hangzhou Zhitong Enterprise Management Partnership L.P. (“Zhitong”)	159,363	151,732	150,835
Hangzhou Haibang Shurui Equity Investment Partnership Enterprise (Limited Partnership) (“Haibang”)	31,873	30,347	21,548
Wuxi Huaxin Semiconductor Partnership (L.P.) (“Wuxi Huaxin”)	-	-	-
Unlisted companies			
Hangzhou Hualan Microelectronique Co., Ltd. (“Hualan”)	29,863	45,981	59,260
Calterah Semiconductor Technology (Shanghai) Co., Ltd. (“Calterah”)	61,687	147,406	141,041
Powerland Technology Inc. (“Powerland”)	387,360	349,087	160,533
Shanghai Geometrical Perception and Learning Co., Ltd. (“Geometrical”)	75,640	80,038	80,797
Zhejiang Sentronic Semiconductor Co., Ltd. (“Sentronic”)	159,012	192,197	247,677
Hangzhou Einno Semiconductor Co., Ltd. (“Einno”)	53,105	49,737	43,460
Chengdu Analog Circuit Technology Inc. (ACTT)	263,695	227,510	166,446
Fujian Baicheng New Energy Technology Co., Ltd. (“Baicheng”)	71,481	90,468	106,927
AIStorm, Inc. (“AIStorm”)	7,270	23,830	29,250
Enovate3D (Hangzhou) Technology Co., Ltd. (“Enovate3D”)	120,710	157,648	159,966
Zhejiang Hexin Semiconductor Co., Ltd. (“Hexin”)	199,108	208,174	215,385
Hangzhou Xight Semi-conductor Technology Co., Ltd. (“Xight”)	8,065	15,677	16,340
Sichuan ZILLNK Technology Co., Ltd (“ZILLNK”)	<u>136,666</u>	<u>125,337</u>	<u>126,892</u>
	<u>\$ 4,109,445</u>	<u>\$ 4,122,780</u>	<u>\$ 4,003,445</u>
			(Concluded)

- a. Partnership affairs are performed by the general partner, and the Group is a limited partner who only has the right to share profit and does not have the ability to influence the relevant activities, so it does not have significant influence over the unlisted limited partnerships.
- b. The liquidation procedure of Hefei Kangtong Equity Investment Partnership (Limited Partnership) was completed in June 2024.
- c. In April 2020, Hangzhou Silergy signed an investment agreement with Sentronic to subscribe capital for RMB39,744 thousand. In November 2020, Hangzhou Silergy subscribed another capital for RMB31,350 thousand. As of June 30, 2024, Hangzhou Silergy had paid RMB71,094 thousand, and the paid capital contribution accounted for 23.169% of the paid-in capital. Pursuant to the articles of incorporation of Sentronic, the voting rights were determined on the basis of a percentage of capital commitment. Hangzhou Silergy had a capital commitment of 18.611% in Sentronic, and thus Hangzhou Silergy does not have significant influence over Sentronic.

8. FINANCIAL ASSETS MEASURED AT COST - NON-CURRENT

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 7,291,338	\$ 5,728,588	\$ 1,292,867
Interest rate range	1.60%-7.25%	2.80%-5.52%	3.10%

9. ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 2,055,825	\$ 1,785,580	\$ 1,340,246
Less: Allowance for impairment loss	<u>(783)</u>	<u>(641)</u>	<u>(5,760)</u>
	<u>\$ 2,055,042</u>	<u>\$ 1,784,939</u>	<u>\$ 1,334,486</u>
<u>Other receivables</u>			
Interest receivables	\$ 43,608	\$ 110,945	\$ 60,797
Tax refund receivable-tax expense	21,576	2,699	120,510
Rent receivables	11,602	10,110	6,612
Share receivables	-	19,509	19,393
Discount receivable	-	337,526	-
Others	<u>84,402</u>	<u>49,303</u>	<u>27,212</u>
	<u>\$ 161,188</u>	<u>\$ 530,092</u>	<u>\$ 234,524</u>

Accounts Receivable

The average credit period of sales of goods is 30-90 days. Due to the short average credit period of sales of goods, no interest was charged on trade receivables.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies lifetime expected loss provision for all accounts receivable. The expected credit losses on accounts receivable are estimated with reference to the past default records of the debtor and an analysis of the debtor's current financial position and general economic conditions of the industry in which the debtors operate. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The following table details the loss allowance of accounts receivable:

June 30, 2024

	Not Past Due	1 to 60 Days Past Due	61 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Gross carrying amount	\$ 1,817,903	\$ 219,652	\$ 15,888	\$ 2,382	\$ -	\$ 2,055,825
Loss allowance (Lifetime ECLs)	<u>(614)</u>	<u>(169)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(783)</u>
Amortized cost	<u>\$ 1,817,289</u>	<u>\$ 219,483</u>	<u>\$ 15,888</u>	<u>\$ 2,382</u>	<u>\$ -</u>	<u>\$ 2,055,042</u>

December 31, 2023

	Not Past Due	1 to 60 Days Past Due	61 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Gross carrying amount	\$ 1,635,038	\$ 145,997	\$ 4,545	\$ -	\$ -	\$ 1,785,580
Loss allowance (Lifetime ECLs)	<u>(480)</u>	<u>(149)</u>	<u>(12)</u>	<u>-</u>	<u>-</u>	<u>(641)</u>
Amortized cost	<u>\$ 1,634,558</u>	<u>\$ 145,848</u>	<u>\$ 4,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,784,939</u>

June 30, 2023

	Not Past Due	1 to 60 Days Past Due	61 to 90 Days Past Due	91 to 180 Days Past Due	Over 180 Days Past Due	Total
Gross carrying amount	\$ 1,245,829	\$ 85,628	\$ -	\$ 3,365	\$ 5,424	\$ 1,340,246
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(336)</u>	<u>(5,424)</u>	<u>(5,760)</u>
Amortized cost	<u>\$ 1,245,829</u>	<u>\$ 85,628</u>	<u>\$ -</u>	<u>\$ 3,029</u>	<u>\$ -</u>	<u>\$ 1,334,486</u>

The movements of the loss allowance of accounts receivable were as follows:

	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	\$ 641	\$ 4,846
Impairment loss recognized on receivables	107	1,056
Foreign exchange gains and losses	<u>35</u>	<u>(142)</u>
Balance at June 30	<u>\$ 783</u>	<u>\$ 5,760</u>

10. INVENTORIES

	June 30, 2024	December 31, 2023	June 30, 2023
Finished goods	\$ 640,218	\$ 764,065	\$ 1,359,759
Work in progress	1,124,408	810,880	990,240
Raw materials	<u>470,644</u>	<u>242,225</u>	<u>1,480,021</u>
	<u>\$ 2,235,270</u>	<u>\$ 1,817,170</u>	<u>\$ 3,830,020</u>

For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the cost of goods sold was \$2,134,029 thousand, \$2,133,908 thousand, \$3,984,146 thousand and \$4,038,662 thousand, respectively. For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the cost of goods sold included inventory write-downs of \$19,788 thousand, \$264,273 thousand, \$87,039 thousand and \$432,594 thousand, respectively.

11. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership			Remark
			June 30, 2024	December 31, 2023	June 30, 2023	
Silergy Corp. ("Silergy")	Silergy Technology ("TECH")	Development, design and sales of power management ICs	100.00%	100.00%	100.00%	-
	Silergy Semiconductor Technology (Hangzhou) Co., Ltd ("Hangzhou Silergy")	Development, design and sales of electronic components, and related technical services	100.00%	100.00%	100.00%	-
	Silergy Semiconductor (Samoa) Limited ("Silergy Samoa")	Holding company	100.00%	100.00%	100.00%	-
	Silergy Semiconductor (Hong Kong) Limited ("HK Silergy")	Holding company	100.00%	100.00%	100.00%	(1)
	Silicon Prospect Investment Limited ("Silicon Prospect")	Holding company	100.00%	100.00%	100.00%	-
Hangzhou Silergy	Nanjing Silergy Micro Technology Co., Ltd. ("Nanjing Silergy Micro")	Development, design and sales of electronic components	63.83%	63.83%	68.83%	(2)
	Xian Silergy Semiconductor Technology Co., Ltd. ("Xian Silergy")	Development, design and sales of electronic components	100.00%	100.00%	100.00%	-
	Chengdu Silergy Semiconductor Technology Co., Ltd. ("Chengdu Silergy")	Development and design of electronic components	100.00%	100.00%	100.00%	-
	Shanghai Silergy Semiconductor Technology Co., Ltd. ("Shanghai Silergy")	Development and design of electronic components	49.00%	49.00%	49.00%	(3)
	Hefei Silergy Semiconductor Technology Co., Ltd. ("Hefei Silergy")	Development, design and sales of electronic components	100.00%	100.00%	100.00%	(4)

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership			Remark
			June 30, 2024	December 31, 2023	June 30, 2023	
Silergy Samoa	Hangzhou Silergy Test Technology Co., Ltd. ("Hangzhou Silergy")	Testing of electronic components, integrated circuits, semiconductors and electronic products	100.00%	100.00%	100.00%	(5)
	Xiamen Silergy Semiconductor Technology Co., Ltd. ("Xiamen Silergy")	Development and design sales of electronic components	100.00%	100.00%	100.00%	(6)
	Silergy Technology (Taiwan) Inc. ("Taiwan Silergy")	Development, design and sales of electronic components	100.00%	100.00%	100.00%	-
	Silergy Technologies Private Limited ("India")	Development, design and sales of electronic components	100.00%	100.00%	100.00%	-
Hong Kong Silergy	Silergy Korea Limited ("Korea")	Development, design and sales of electronic components	100.00%	100.00%	100.00%	-
	Silergy Semiconductor (Macau) Limited ("Macau Silergy")	Development and design and sales of electronic components	100.00%	100.00%	100.00%	-
Nanjing Silergy Micro	Shanghai Silergy Microelectronics Technology Co., Ltd. ("Shanghai Silergy Micro")	Development and design of electronic components	100.00%	100.00%	100.00%	-
	Nanjing Silergy Micro (HK) Co., Limited ("Nanjing Silergy (HK)")	Development, design and sales of electronic components	100.00%	100.00%	100.00%	-
	Guangdong Silergy Micro Technology Co., Ltd ("Guangdong Silergy Micro")	Development, design and sales of electronic components	100.00%	100.00%	-	(7)

(Concluded)

Remarks:

- 1) Silergy injected capital into HK Silergy at US\$500 thousand in January 2024.
 - 2) In October 2022, the Group's board of directors resolved to implement a cash capital increase. As of June 30, 2024, the uncollected capital increase by cash premium, which amounted to RMB42,500 thousand, was recorded as long-term receivables.
 - 3) On January 11, 2023, Hangzhou Silergy disposed of 51% of the equity for RMB5,100 thousand. After the disposal, Hangzhou Silergy's proportion of ownership decreased from 100% to 49%. Pursuant to the articles of incorporation of Shanghai Silergy, the Group determined that it still has control over Shanghai Silergy and, consequently, classified Shanghai Silergy as a subsidiary.
 - 4) In May 2023, Hangzhou Silergy had remitted RMB20,000 thousand.
 - 5) In June 2023 and May 2024, Hangzhou Silergy had remitted RMB50,000 thousand and RMB50,000 thousand, respectively.
 - 6) In May 2023, Hangzhou Silergy set up Xiamen Silergy. In May 2023, July 2023 and September 2023, Hangzhou Silergy had remitted RMB1,000 thousand, RMB4,000 thousand and RMB5,000 thousand, respectively.
 - 7) In August 2023, Nanjing Silergy set up Guangdong Silergy Micro.
- b. Subsidiaries excluded from the consolidated financial statements: None.
- c. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
	June 30, 2024	December 31, 2023	June 30, 2023
Nanjing Silergy Micro	36.17%	36.17%	36.17%

Refer to Table 6 for information on the places of incorporation and principal places of business.

Name of Subsidiary	Loss Allocated to Non-controlling Interests				Accumulated Non-controlling Interests		
	For the Three Months Ended June 30		For the Six Months Ended June 30		June 30,	December 31,	June 30,
	2024	2023	2024	2023	2024	2023	2023
Nanjing Silergy Micro	\$ (15,142)	\$ (39,551)	\$ (19,992)	\$ (82,300)	\$ 647,713	\$ 622,573	\$ 647,533

The summarized financial information below represents amounts before intragroup eliminations.

Nanjing Silergy Micro and subsidiaries

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 937,731	\$ 1,014,001	\$ 980,905
Non-current assets	1,799,241	1,365,806	1,177,495
Current liabilities	(903,362)	(604,855)	(304,476)
Non-current liabilities	<u>(42,855)</u>	<u>(53,703)</u>	<u>(63,666)</u>
Equity	<u>\$ 1,790,755</u>	<u>\$ 1,721,249</u>	<u>\$ 1,790,258</u>
Equity attributable to:			
Owners of Nanjing Silergy Micro	\$ 1,143,042	\$ 1,098,676	\$ 1,142,725
Non-controlling interests of Nanjing Silergy Micro	<u>647,713</u>	<u>622,573</u>	<u>647,533</u>
	<u>\$ 1,790,755</u>	<u>\$ 1,721,249</u>	<u>\$ 1,790,258</u>

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Revenue	<u>\$ 501,059</u>	<u>\$ 420,201</u>	<u>\$1,040,120</u>	<u>\$ 884,284</u>
Profit/total comprehensive income for the period	<u>\$ (41,863)</u>	<u>\$ (109,350)</u>	<u>\$ (55,273)</u>	<u>\$ (227,538)</u>
Profit/total comprehensive income attributable to:				
Owners of Nanjing Silergy Micro	\$ (26,721)	\$ (69,799)	\$ (35,281)	\$ (145,238)
Non-controlling interests of Nanjing Silergy Micro	<u>(15,142)</u>	<u>(39,551)</u>	<u>(19,992)</u>	<u>(82,300)</u>
	<u>\$ (41,863)</u>	<u>\$ (109,350)</u>	<u>\$ (55,273)</u>	<u>\$ (227,538)</u>
Net cash inflow (outflow) from:				
Operating activities			\$ 162,758	\$ 86,146
Investing activities			(305,554)	(156,517)
Financing activities			<u>244,992</u>	<u>10,782</u>
Net cash inflow (outflow)			<u>\$ (102,196)</u>	<u>\$ (59,589)</u>

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Investments in associates</u>			
Material associates			
Hefei SMAT Technology Co., Ltd. (“SMAT”)	\$ 405,597	\$ 407,298	\$ 429,195
Winsheng Material Technology Co., Ltd. (“WMT”)	181,482	215,044	242,349
Associates that are not individually material			
Wuxin (Shanghai) Semiconductor Technology Co., Ltd. (“Shanghai Wuxin”)	150,024	147,257	-
Zhuhai Hengqin Accu-Rate Technology Co., Ltd. (“Accu-Rate”)	130,780	129,158	131,328
JT Microelectronics (Shenzhen) Co., Ltd. (“JT”)	<u>47,725</u>	<u>42,418</u>	<u>46,732</u>
	<u>\$ 915,608</u>	<u>\$ 941,175</u>	<u>\$ 849,604</u>

a. Material associates

Company Name	Nature of Activities	Principal Places of Business	Proportion of Ownership and Voting Rights		
			June 30, 2024	December 31, 2023	June 30, 2023
Unlisted Companies					
Hefei SMAT Technology Co., Ltd. (“SMAT”)	Developing and manufacturing vehicles and IOT	China	38.29%	38.29%	38.29%
Winsheng Material Technology Co., Ltd. (“WMT”)	Manufacturing and selling electronic components	Taiwan	44.46%	44.46%	45.08%

The summarized financial information below represents amounts shown in the associates’ financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

SMAT

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 355,521	\$ 354,365	\$ 337,681
Non-current assets	1,263,806	1,345,918	1,491,019
Current liabilities	(464,624)	(519,571)	(513,103)
Non-current liabilities	<u>(26,575)</u>	<u>(29,568)</u>	<u>(86,043)</u>
Equity	<u>\$ 1,128,128</u>	<u>\$ 1,151,144</u>	<u>\$ 1,229,554</u>
Proportion of the Group’s ownership	<u>38.29%</u>	<u>38.29%</u>	<u>38.29%</u>
Equity attributable to the Group	\$ 431,986	\$ 440,799	\$ 470,824
Unrealized gain on disposal of intangible assets	<u>(26,389)</u>	<u>(33,501)</u>	<u>(41,629)</u>
Carrying amount	<u>\$ 405,597</u>	<u>\$ 407,298</u>	<u>\$ 429,195</u>

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Operating revenue	<u>\$ 176,532</u>	<u>\$ 163,920</u>	<u>\$ 329,935</u>	<u>\$ 265,102</u>
Net loss for the period	<u>\$ (27,580)</u>	<u>\$ (40,979)</u>	<u>\$ (79,780)</u>	<u>\$ (131,294)</u>

WMT

	June 30, 2024	December 31, 2023	June 30, 2023
Current assets	\$ 184,021	\$ 247,135	\$ 338,602
Non-current assets	193,608	213,958	178,620
Current liabilities	(13,795)	(26,572)	(18,659)
Non-current liabilities	<u>(8,786)</u>	<u>(2,476)</u>	<u>(13,957)</u>
Equity	<u>\$ 355,048</u>	<u>\$ 432,045</u>	<u>\$ 484,606</u>
Proportion of the Group's ownership	<u>44.46%</u>	<u>44.46%</u>	<u>45.08%</u>
Equity attributable to the Group	\$ 157,865	\$ 192,101	\$ 218,475
Goodwill	16,683	15,786	16,010
Other intangible assets	<u>6,934</u>	<u>7,157</u>	<u>7,864</u>
Carrying amount	<u>\$ 181,482</u>	<u>\$ 215,044</u>	<u>\$ 242,349</u>

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Operating revenue	<u>\$ 3,410</u>	<u>\$ 6,346</u>	<u>\$ 7,226</u>	<u>\$ 12,095</u>
Net loss for the period	<u>\$ (38,892)</u>	<u>\$ (17,053)</u>	<u>\$ (73,035)</u>	<u>\$ (45,291)</u>

b. Associates that are not individually material

In 2023, Hangzhou Silergy subscribed for 35% of the equity of Wuxin (Shanghai) using machinery and equipment worth RMB32,500 thousand and the cash for RMB2,500 thousand.

Refer to Tables 5 and 6 for the nature of activities, principal places of business and countries of incorporation of the associates.

Investments accounted for using the equity method and the share of profit or loss and other comprehensive income or loss of those investments were calculated based on the associates' audit of financial statements for the same period as the Group.

13. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Machinery and Equipment	Office Equipment	Leasehold Improvements	Construction in Progress	Total
<u>Cost</u>						
Balance at January 1, 2024	\$ 1,202,752	\$ 1,398,785	\$ 269,767	\$ 51,773	\$ 622,354	\$ 3,545,431
Additions	1,850	51,675	15,805	10,502	777,806	857,638
Disposals	-	(1,794)	(6,712)	(5,610)	-	(14,116)
Reclassification	34,497	7,991	20	-	(477)	42,031
Effect of foreign currency exchange differences	58,188	69,493	13,153	1,794	42,291	184,919
Balance at June 30, 2024	<u>\$ 1,297,287</u>	<u>\$ 1,526,150</u>	<u>\$ 292,033</u>	<u>\$ 58,459</u>	<u>\$ 1,441,974</u>	<u>\$ 4,615,903</u>
<u>Accumulated depreciation</u>						
Balance at January 1, 2024	\$ 149,943	\$ 841,551	\$ 174,642	\$ 29,077	\$ -	\$ 1,195,213
Depreciation expense	18,113	148,135	26,522	4,501	-	197,271
Disposals	-	(679)	(3,548)	(1,029)	-	(5,256)
Reclassification	2,520	-	-	-	-	2,520
Effect of foreign currency exchange differences	7,625	42,563	7,690	927	-	58,805
Balance at June 30, 2024	<u>\$ 178,201</u>	<u>\$ 1,031,570</u>	<u>\$ 205,306</u>	<u>\$ 33,476</u>	<u>\$ -</u>	<u>\$ 1,448,553</u>
Carrying amount at June 30, 2024	<u>\$ 1,119,086</u>	<u>\$ 494,580</u>	<u>\$ 86,727</u>	<u>\$ 24,983</u>	<u>\$ 1,441,974</u>	<u>\$ 3,167,350</u>
<u>Cost</u>						
Balance at January 1, 2023	\$ 1,141,017	\$ 1,294,805	\$ 217,956	\$ 35,109	\$ 19,053	\$ 2,707,940
Additions	12,761	53,550	33,477	9,783	140,958	250,529
Disposals	-	(451)	(699)	(229)	-	(1,379)
Reclassification	27,462	48,490	826	-	(15,487)	61,291
Effect of foreign currency exchange differences	(25,508)	(28,154)	(4,555)	(250)	(3,329)	(61,796)
Balance at June 30, 2023	<u>\$ 1,155,732</u>	<u>\$ 1,368,240</u>	<u>\$ 247,005</u>	<u>\$ 44,413</u>	<u>\$ 141,195</u>	<u>\$ 2,956,585</u>
<u>Accumulated depreciation</u>						
Balance at January 1, 2023	\$ 112,725	\$ 577,294	\$ 132,555	\$ 22,753	\$ -	\$ 845,327
Depreciation expense	16,705	155,902	21,418	3,112	-	197,137
Disposals	-	(442)	(686)	(229)	-	(1,357)
Reclassification	2,937	-	-	-	-	2,937
Effect of foreign currency exchange differences	(2,932)	(14,273)	(2,786)	(96)	-	(20,087)
Balance at June 30, 2023	<u>\$ 129,435</u>	<u>\$ 718,481</u>	<u>\$ 150,501</u>	<u>\$ 25,540</u>	<u>\$ -</u>	<u>\$ 1,023,957</u>
Carrying amount at June 30, 2023	<u>\$ 1,026,297</u>	<u>\$ 649,759</u>	<u>\$ 96,504</u>	<u>\$ 18,873</u>	<u>\$ 141,195</u>	<u>\$ 1,932,628</u>

As of June 30, 2024, transfer of property rights of the buildings in Chengdu had not been completed due to local laws and regulations. The carrying amount of the buildings is RMB11,991 thousand. However, according to the agreement, relevant property rights of the Group are protected by law.

No impairment assessment was performed for the six months ended June 30, 2024 and 2023 as there was no indication of impairment.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	35-50 years
Machinery and equipment	3-10 years
Office equipment	2-10 years
Leasehold improvements	2-5 years

14. LEASE ARRANGEMENTS

a. Right-of-use assets

	June 30, 2024	December 31, 2023	June 30, 2023	
<u>Carrying amount</u>				
Land	\$ 589,350	\$ 565,907	\$ 567,291	
Buildings	257,322	271,852	304,661	
Machinery and equipment	<u>-</u>	<u>-</u>	<u>-</u>	
	<u>\$ 846,672</u>	<u>\$ 837,759</u>	<u>\$ 871,952</u>	
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Additions to right-of-use assets			<u>\$ 23,343</u>	<u>\$ 301,134</u>
Depreciation charge for right-of-use assets				
Land	\$ 3,064	\$ 2,867	\$ 6,042	\$ 5,540
Buildings	24,005	18,599	48,857	33,358
Machinery and equipment	<u>-</u>	<u>130</u>	<u>-</u>	<u>955</u>
	<u>\$ 27,069</u>	<u>\$ 21,596</u>	<u>\$ 54,899</u>	<u>\$ 39,853</u>

Except for the aforementioned addition and recognized depreciation, the Group did not have significant impairment of right-of-use assets during the six months ended June 30, 2024 and 2023.

The Group built their headquarters on leasehold land located in Hangzhou and plans to sublease part of the office space under operating leases. The related land use rights are presented as investment properties as set out in Note 15. The amounts disclosed above related to the right-of-use assets do not include right-of-use assets that meet the definition of investment properties.

b. Lease liabilities

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Carrying amount</u>			
Current	<u>\$ 90,233</u>	<u>\$ 84,538</u>	<u>\$ 90,312</u>
Non-current	<u>\$ 190,199</u>	<u>\$ 205,476</u>	<u>\$ 216,638</u>

Range of discount rates for lease liabilities was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Buildings	1.81%-5.41%	1.81%-5.41%	1.81%-4.60%
Machinery and equipment	-	1.88%	1.88%

c. Material lease activities and terms

The Group also leases machinery and equipment for the use of research and development with lease terms of 1 years. The Group does not have purchase options for lease arrangements at the end of the lease terms.

The Group also leases land and buildings for the plants and offices with lease terms of 1 to 50 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

d. Other lease information

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Expenses relating to short-term leases	<u>\$ 16,132</u>	<u>\$ 11,458</u>	<u>\$ 32,535</u>	<u>\$ 21,138</u>
Total cash outflow for leases			<u>\$ (81,448)</u>	<u>\$ (56,375)</u>

The Group's leases of certain land and buildings qualify as short-term asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

15. INVESTMENT PROPERTIES

	Buildings	Right-of-use Assets	Total
<u>Cost</u>			
Balance at January 1, 2024	\$ 575,580	\$ 16,093	\$ 591,673
Reclassification to property, plant and equipment	(34,497)	-	(34,497)
Reclassification to right-of-use assets	-	(1,216)	(1,216)
Effects of foreign currency exchange differences	<u>28,459</u>	<u>792</u>	<u>29,251</u>
Balance at June 30, 2024	<u>\$ 569,542</u>	<u>\$ 15,669</u>	<u>\$ 585,211</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2024	\$ 52,394	\$ 1,575	\$ 53,969
Depreciation expense	6,149	169	6,318
Reclassification to property, plant and equipment	(2,520)	-	(2,520)
Reclassification to right-of-use assets	-	(120)	(120)
Effects of foreign currency exchange differences	<u>2,686</u>	<u>80</u>	<u>2,766</u>
Balance at June 30, 2024	<u>\$ 58,709</u>	<u>\$ 1,704</u>	<u>\$ 60,413</u>
Carrying amount at June 30, 2024	<u>\$ 510,833</u>	<u>\$ 13,965</u>	<u>\$ 524,798</u>

(Continued)

	Buildings	Right-of-use Assets	Total
<u>Cost</u>			
Balance at January 1, 2023	\$ 633,720	\$ 17,563	\$ 651,283
Reclassification to property, plant and equipment	(10,132)	-	(10,132)
Effects of foreign currency exchange differences	<u>(14,122)</u>	<u>(398)</u>	<u>(14,520)</u>
Balance at June 30, 2023	<u>\$ 609,466</u>	<u>\$ 17,165</u>	<u>\$ 626,631</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2023	\$ 45,964	\$ 1,337	\$ 47,301
Depreciation expense	6,713	191	6,904
Reclassification to property, plant and equipment	(2,937)	-	(2,937)
Effects of foreign currency exchange differences	<u>(1,128)</u>	<u>(35)</u>	<u>(1,163)</u>
Balance at June 30, 2023	<u>\$ 48,612</u>	<u>\$ 1,493</u>	<u>\$ 50,105</u>
Carrying amount at June 30, 2023	<u>\$ 560,854</u>	<u>\$ 15,672</u>	<u>\$ 576,526</u> (Concluded)

Right-of-use assets included in investment properties refer to land located in Hangzhou, which the Group leased to build their headquarters, and planned to sublease part of their office space to others under operating leases.

Management was unable to reliably measure the fair value of investment properties located in Hangzhou and Xi'an, because the market for comparable properties in those areas is inactive and alternative reliable measurements of fair value are not available; therefore, the Group determined that the fair values of the investment properties are not reliably measurable.

Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Main buildings	35-46 years
Right-of-use assets	50 years

16. GOODWILL

	For the Six Months Ended June 30	
	2024	2023
<u>Cost</u>		
Balance at January 1	\$ 2,715,629	\$ 2,722,110
Effect of foreign currency exchange differences	<u>150,385</u>	<u>24,431</u>
Balance at June 30	<u>\$ 2,866,014</u>	<u>\$ 2,746,541</u> (Continued)

	For the Six Months Ended June 30	
	2024	2023
<u>Accumulated impairment losses</u>		
Balance at January 1	\$ 1,308,797	\$ 1,217,669
Effect of foreign currency exchange differences	<u>71,534</u>	<u>9,642</u>
Balance at June 30	<u>\$ 1,380,331</u>	<u>\$ 1,227,311</u>
Carrying amount at June 30	<u>\$ 1,485,683</u>	<u>\$ 1,591,230</u>

(Concluded)

17. OTHER INTANGIBLE ASSETS

	Computer Software	Technical Know-how	Customer Relationships	Total
<u>Cost</u>				
Balance at January 1, 2024	\$ 342,819	\$ 520,498	\$ 1,219,074	\$ 2,082,391
Additions	63,699	8,607	-	72,306
Effect of foreign currency exchange differences	<u>20,284</u>	<u>28,660</u>	<u>69,195</u>	<u>118,139</u>
Balance at June 30, 2024	<u>\$ 426,802</u>	<u>\$ 557,765</u>	<u>\$ 1,288,269</u>	<u>\$ 2,272,836</u>
<u>Accumulated amortization</u>				
Balance at January 1, 2024	\$ 266,520	\$ 436,029	\$ 839,150	\$ 1,541,699
Amortization expenses	36,365	16,873	43,608	96,846
Effect of foreign currency exchange differences	<u>15,677</u>	<u>24,236</u>	<u>48,369</u>	<u>88,282</u>
Balance at June 30, 2024	<u>\$ 318,562</u>	<u>\$ 477,138</u>	<u>\$ 931,127</u>	<u>\$ 1,726,827</u>
Carrying amount at June 30, 2024	<u>\$ 108,240</u>	<u>\$ 80,627</u>	<u>\$ 357,142</u>	<u>\$ 546,009</u>
<u>Cost</u>				
Balance at January 1, 2023	\$ 278,107	\$ 513,177	\$ 1,219,498	\$ 2,010,782
Additions	58,839	10,113	-	68,952
Disposals	(5,809)	-	-	(5,809)
Reclassification	2,076	-	-	2,076
Effect of foreign currency exchange differences	<u>3,621</u>	<u>1,382</u>	<u>16,580</u>	<u>21,583</u>
Balance at June 30, 2023	<u>\$ 336,834</u>	<u>\$ 524,672</u>	<u>\$ 1,236,078</u>	<u>\$ 2,097,584</u>

(Continued)

	Computer Software	Technical Know-how	Customer Relationships	Total
<u>Accumulated amortization</u>				
Balance at January 1, 2023	\$ 208,280	\$ 404,604	\$ 732,898	\$ 1,345,782
Amortization expenses	34,563	17,351	53,010	104,924
Disposals	(5,809)	-	-	(5,809)
Effect of foreign currency exchange differences	<u>2,996</u>	<u>1,499</u>	<u>10,909</u>	<u>15,404</u>
Balance at June 30, 2023	<u>\$ 240,030</u>	<u>\$ 423,454</u>	<u>\$ 796,817</u>	<u>\$ 1,460,301</u>
Carrying amount at June 30, 2023	<u>\$ 96,804</u>	<u>\$ 101,218</u>	<u>\$ 439,261</u>	<u>\$ 637,283</u> (Concluded)

The above items of intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	1-10 years
Technical know-how	6-10 years
Customer relationships	5-12 years

18. OTHER ASSETS

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Current tax assets	\$ 292,188	\$ 75,576	\$ 46,555
Offset against business tax payable	165,746	60,580	48,174
Prepayments to suppliers	126,721	124,836	131,285
Prepaid expenses	28,150	24,512	28,962
Other prepayments	<u>7,605</u>	<u>12,283</u>	<u>21,765</u>
	<u>\$ 620,410</u>	<u>\$ 297,787</u>	<u>\$ 276,741</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 28,621	\$ 17,422	\$ 16,628
Prepayments for investment	<u>-</u>	<u>-</u>	<u>42,624</u>
	<u>\$ 28,621</u>	<u>\$ 17,422</u>	<u>\$ 59,252</u>

19. BORROWINGS

a. Short-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Unsecured borrowings</u>			
Bank loans	\$ 446,217	\$ 160,403	\$ -

The ranges of interest rate for short-term borrowings were 2.70% to 2.80% per annum as of June 30, 2024, and December 31, 2023.

b. Long-term borrowings

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Unsecured borrowings</u>			
Bank loans	\$ 525,137	\$ -	\$ -

The Group has signed long-term revolving credit facilities with banks for the construction of factories. The ranges of interest rates were 2.95% to 3.20% per annum as of June 30, 2024, and the last repayment date of the contract is January 5, 2039.

20. OTHER PAYABLES AND LIABILITIES

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Current</u>			
Other payables			
Payables for salaries and bonuses	\$ 699,622	\$ 749,950	\$ 448,158
Payables for equipment	70,788	7,051	12,911
Payables for contingent consideration*	42,291	40,017	40,584
Payables for property tax	4,948	8,737	4,244
Payables for dividends	2,216	3,593	3,593
Payables for remuneration of directors	7,605	14,286	2,548
Payables for business tax	1,597	2,525	2,355
Payables for mask fees	453	2,643	1,076
Others	223,594	228,086	179,496
	<u>\$ 1,053,114</u>	<u>\$ 1,056,888</u>	<u>\$ 694,965</u>
Other liabilities			
Contract liabilities	\$ 19,504	\$ 21,927	\$ 21,463
Others	14,815	21,054	14,123
	<u>\$ 34,319</u>	<u>\$ 42,981</u>	<u>\$ 35,586</u>

- * In July 2019, the Group acquired a division of NewEdge Technologies, Inc. According to the contract, if the sales of certain products reach a certain amount during the contract period, the Group has to pay a certain amount of contingent consideration; after settlement, the amount was US\$1,303 thousand. However, the counterparty disagreed with the definition of specific items and filed an arbitration with the Shanghai International Economic and Trade Arbitration Commission in October 2023, which was still in progress as of the financial statements authorized for issue. The Company assessed that the outcome of the arbitration would not have a material impact on the related amount.

21. RETIREMENT BENEFIT PLANS

For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, the pension expenses related to the defined benefit plan were calculated using the actuarially determined pension cost rate as of December 31, 2023 and 2022, which amounted to a loss of \$192 thousand, \$150 thousand, \$385 thousand and \$300 thousand, respectively.

22. EQUITY

a. Ordinary shares

	June 30, 2024	December 31, 2023	June 30, 2023
Number of shares authorized (in thousands)	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>
Shares authorized	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>385,441</u>	<u>384,199</u>	<u>381,131</u>
Shares issued	<u>\$ 963,603</u>	<u>\$ 960,498</u>	<u>\$ 957,828</u>

The changes in the Company's share stock were due to the employees' exercise of their employee share options and the issuance of restricted shares to employees.

For the six months ended June 30, 2024, the Company recalled and canceled 427 thousand employee restricted shares in 2024 due to the unfulfilled performance requirement. As of the balance sheet date, the registration has not been processed, and the share capital awaiting retirement was \$1,068 thousand.

b. Capital surplus

	June 30, 2024	December 31, 2023	June 30, 2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Issuance of ordinary shares	\$ 6,980,588	\$ 6,807,589	\$ 6,696,341
Employee share options	1,017,590	676,145	637,138
Employee restricted shares	1,544,838	1,544,838	1,435,301

(Continued)

	June 30, 2024	December 31, 2023	June 30, 2023
<u>May be used to offset a deficit only</u>			
Share of changes in capital surplus of associates	\$ 37,495	\$ 31,310	\$ 30,425
Change in percentage of ownership interest in subsidiaries (2)	52,197	66,847	66,483
<u>May not be used for any purpose</u>			
Employee share options	2,868,247	2,699,046	2,242,532
Employee restricted shares	<u>325,816</u>	<u>581,807</u>	<u>691,344</u>
	<u>\$ 12,826,771</u>	<u>\$ 12,407,582</u>	<u>\$ 11,799,564</u>
			(Concluded)

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).
- 2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions or from employee share options of subsidiaries.

c. Retained earnings and dividend policy

Under the Company's dividend policy in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. In the case of dividends to be paid in cash, the Company's board of directors shall report such distribution in the next annual shareholders' general meeting, after the Company's board of directors approves the distribution of dividends in cash. For the policies on the distribution of employees' compensation and remuneration of directors and supervisors, refer to Note 24(g) on employee benefits expense.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals Silergy's paid-in capital. The legal reserve may be used to offset deficit. If Silergy has no deficit and the legal reserve has exceeded 25% of Silergy's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2023 and 2022 were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>For the Year Ended December 31</u>		<u>For the Year Ended December 31</u>	
	2023	2022	2023	2022
(Reversal of) special reserve	\$ 383,665	\$ (1,248,912)	\$ -	\$ -
Cash dividends	751,316	1,710,741	1.96	4.50

The above appropriations for cash dividends were resolved by the Company's board of directors on March 12, 2024 and March 9, 2023, respectively, and the chairman was authorized to distribute the amount. The Group adjusted the distribution ratio with the weighted average number of actual outstanding shares by the base date of cash dividends. The other proposed appropriations were resolved by the shareholders in their meetings on May 30, 2024 and May 26, 2023, respectively.

In 2023, the actual cash dividends per share distributed was adjusted to NT\$1.96011904.

In 2022, the actual cash dividends per share distributed was adjusted to NT\$4.49431016.

d. Treasury shares (June 30, 2023: None)

**Shares
Transferred to
Employees
(In Thousands)**

Number of shares at January 1, 2024 to June 30, 2024 595

To transfer shares to employees, the Company bought back 595 thousand shares for a total of \$239,746 thousand on the Taiwan Stock Exchange from December 21, 2023 to February 20, 2024.

23. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Revenue from contracts with customers				
Revenue from the sale of goods	\$ 4,604,095	\$ 3,537,924	\$ 8,371,602	\$ 6,901,889
Revenue from the rendering of services	<u>11,175</u>	<u>59,814</u>	<u>85,268</u>	<u>130,513</u>
	<u>\$ 4,615,270</u>	<u>\$ 3,597,738</u>	<u>\$ 8,456,870</u>	<u>\$ 7,032,402</u>

a. Contract information

1) Revenue from the sale of goods

Revenue from the sale of goods comes from sales of integrated circuit products. Sales of integrated circuit products are recognized as the goods are shipped because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Accounts receivable are recognized concurrently.

2) Revenue from the rendering of services

Revenue from the rendering of services comes from the provision of services based on contracts. The Company recognizes revenue on the basis of percentage of completion for its contracts.

b. Contract balances

	June 30, 2024	December 31, 2023	June 30, 2023	January 1, 2023
Accounts receivable (Note 9)	<u>\$ 2,055,042</u>	<u>\$ 1,784,939</u>	<u>\$ 1,334,486</u>	<u>\$ 1,617,688</u>
Contract liabilities				
Sale of goods	\$ 4,526	\$ 4,987	\$ 1,322	\$ 1,109
Operating leases	<u>14,978</u>	<u>16,940</u>	<u>20,141</u>	<u>17,326</u>
	<u>\$ 19,504</u>	<u>\$ 21,927</u>	<u>\$ 21,463</u>	<u>\$ 18,435</u>

The changes in the balance of contract assets and contract liabilities primarily result from the timing difference between the Company's satisfaction of performance obligations and the respective customer's payment.

24. NET PROFIT

a. Other operating income and expenses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Gain on disposal of intangible assets	\$ 4,398	\$ 4,231	\$ 8,674	\$ 8,522
Loss on disposal of property, plant and equipment	<u>(3,780)</u>	<u>(374)</u>	<u>(3,847)</u>	<u>(374)</u>
	<u>\$ 618</u>	<u>\$ 3,857</u>	<u>\$ 4,827</u>	<u>\$ 8,148</u>

In December 2015, SMAT was set up by Hangzhou Silergy, HK Silergy and unrelated third parties. The Group invested RMB100,000 thousand through Hangzhou Silergy and RMB73,876 thousand through HK Silergy for a patent acquisition. The fair value of the patent was determined by an independent third party. Accordingly, a gain of RMB61,361 thousand resulting from the patent-related transaction with SMAT was recognized only to the extent of the interests in this associate that were not related to the Group. To the extent of the investment related to the Group, Hangzhou Silergy recognized an unrealized gain of RMB38,639 thousand, which would be amortized over the economic life of the patent. For the six months ended June 30, 2024 and 2023, the total realized gain was \$8,674 thousand and \$8,522 thousand, respectively.

b. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Dividend income	\$ 1,163	\$ 1,224	\$ 82,751	\$ 110,795
Rental income	26,125	24,271	52,140	52,902
Government grants	38,059	476	49,169	13,647
Others	<u>1,342</u>	<u>1,685</u>	<u>7,837</u>	<u>5,856</u>
	<u>\$ 66,689</u>	<u>\$ 27,656</u>	<u>\$ 191,897</u>	<u>\$ 183,200</u>

c. Interest expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Interest on bank loans	\$ 6,753	\$ -	\$ 8,535	\$ -
Interest on lease liabilities	852	641	1,719	1,102
Others	-	-	-	4
Less: Amounts included in the cost of qualifying assets (capitalized borrowing)	<u>(2,615)</u>	<u>-</u>	<u>(4,397)</u>	<u>-</u>
	<u>\$ 4,990</u>	<u>\$ 641</u>	<u>\$ 5,857</u>	<u>\$ 1,106</u>
Capitalized interest	\$ 2,615	\$ -	\$ 4,397	\$ -
Capitalization rate	2.95%-3.20%	-	2.95%-3.20%	-

d. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Other intangible assets	\$ 49,540	\$ 52,093	\$ 96,846	\$ 104,924
Property, plant and equipment	99,350	98,334	197,271	197,137
Right-of-use assets	27,069	21,596	54,899	39,853
Investment properties	<u>3,193</u>	<u>3,444</u>	<u>6,318</u>	<u>6,904</u>
	<u>\$ 179,152</u>	<u>\$ 175,467</u>	<u>\$ 355,334</u>	<u>\$ 348,818</u>
An analysis of depreciation by function				
Operating cost	\$ 42,986	\$ 53,365	\$ 87,265	\$ 110,451
Operating expenses	83,433	66,565	164,905	126,539
Non-operating income and expenses	<u>3,193</u>	<u>3,444</u>	<u>6,318</u>	<u>6,904</u>
	<u>\$ 129,612</u>	<u>\$ 123,374</u>	<u>\$ 258,488</u>	<u>\$ 243,894</u>
An analysis of amortization by function				
General and administrative expenses	<u>\$ 49,540</u>	<u>\$ 52,093</u>	<u>\$ 96,846</u>	<u>\$ 104,924</u>

e. Operating expenses directly related to investment properties

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Direct operating expenses from investment properties generating rental income	\$ 6,996	\$ 7,156	\$ 13,445	\$ 14,284
Direct operating expenses from investment properties not generating rental income	<u>939</u>	<u>795</u>	<u>2,131</u>	<u>2,107</u>
	<u>\$ 7,935</u>	<u>\$ 7,951</u>	<u>\$ 15,576</u>	<u>\$ 16,391</u>

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Post-employment benefits (Note 21)				
Defined contribution plan	\$ 68,444	\$ 53,854	\$ 131,513	\$ 102,834
Defined benefit plans	<u>192</u>	<u>150</u>	<u>385</u>	<u>300</u>
	<u>68,636</u>	<u>54,004</u>	<u>131,898</u>	<u>103,134</u>
Share-based payments				
Equity-settled	<u>270,546</u>	<u>378,451</u>	<u>564,996</u>	<u>759,433</u>
Short-term employee benefits				
Salary	962,564	690,068	1,924,230	1,409,616
Labor and health insurance	45,775	41,943	99,121	84,572
Others	<u>83,002</u>	<u>64,128</u>	<u>165,765</u>	<u>128,753</u>
	<u>1,091,341</u>	<u>796,139</u>	<u>2,189,116</u>	<u>1,622,941</u>
Total employee benefits expense	<u>\$ 1,430,523</u>	<u>\$ 1,228,594</u>	<u>\$ 2,886,010</u>	<u>\$ 2,485,508</u>
An analysis of employee benefits expense by function				
Operating expenses	<u>\$ 1,430,523</u>	<u>\$ 1,228,594</u>	<u>\$ 2,886,010</u>	<u>\$ 2,485,508</u>

g. Employees' compensation and remuneration of directors

The Company accrued employees' compensation and remuneration of directors at rates of 8% to 20% and no higher than 2%, respectively, of net profit before income tax, employees' compensation and remuneration of directors. The employees' compensation and remuneration of directors for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023 were as follows:

Accrual rate

	For the Six Months Ended June 30	
	2024	2023
Employees' compensation	8.18%	8.14%
Remuneration of directors	1.07%	1.99%

Amount

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Employees' compensation	\$ 50,684	\$ (10,372)	\$ 58,315	\$ 10,444
Remuneration of directors	<u>5,700</u>	<u>(452)</u>	<u>7,605</u>	<u>2,548</u>
	<u>\$ 56,384</u>	<u>\$ (10,824)</u>	<u>\$ 65,920</u>	<u>\$ 12,992</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The employees' compensation and remuneration of directors for the years ended December 31, 2023 and 2022 which were approved by the Company's board of directors on March 12, 2024 and March 9, 2023, respectively, were as follows:

Amount

	For the Year Ended December 31	
	2023	2022
Employees' compensation	\$ 66,112	\$ 552,618
Remuneration of directors	14,286	12,000

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2022 and 2023.

Information on the employees' compensation and remuneration of directors resolved by Silergy's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

25. INCOME TAX/INCOME TAX RECOGNIZED IN PROFIT OR LOSS

Income tax recognized in profit or loss

Major components of income tax (expense) benefit are as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Current tax				
In respect of the current year	\$ (60,495)	\$ (4,665)	\$ (103,834)	\$ (17,844)
In respect of prior years	(28,414)	(4,848)	(36,245)	(4,848)
Deferred tax				
In respect of the current year	<u>12,719</u>	<u>32,420</u>	<u>(95,167)</u>	<u>72,925</u>
Income tax (expense) benefit recognized in profit or loss	<u>\$ (76,190)</u>	<u>\$ 22,907</u>	<u>\$ (235,246)</u>	<u>\$ 50,233</u>

Silergy and Silergy Samoa are exempt from business income tax in accordance with local laws and regulations.

The applicable corporate tax rate for Silergy Technology (Taiwan) Inc. in the ROC was 20%.

The applicable tax rate used by subsidiaries in China is 25%. The applicable tax rate used by the branches of Silergy in Hong Kong and Nanjing Silergy (HK) in Hong Kong is 16.5%. The tax rate applicable to Nanjing Silergy Micro decreased to 15% after approval was obtained from the local tax authorities, as tax credits are given to high-tech enterprises. Hangzhou Silergy and Xian Silergy obtained approval from the local tax authorities to have an additional tax deduction; the applicable tax rate decreased to 10% and 12.5%, respectively. Tax rates used by other entities operating in other jurisdictions are based on the tax laws in those jurisdictions.

The tax returns of Silergy Technology (Taiwan) Inc. through 2023 have been assessed by the tax authorities.

26. EARNINGS (LOSS) PER SHARE

Unit: Dollars Per Share

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Basic earnings (loss) per share	<u>\$ 1.46</u>	<u>\$ (0.27)</u>	<u>\$ 1.66</u>	<u>\$ 0.30</u>
Diluted earnings (loss) per share	<u>\$ 1.42</u>	<u>\$ (0.27)</u>	<u>\$ 1.62</u>	<u>\$ 0.29</u>

The earnings (loss) and weighted average number of ordinary shares outstanding used in the computation of earnings (loss) per share were as follows:

Net Profit (Loss) for the Period

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Earnings (loss) used in the computation of basic and diluted earnings per share	<u>\$ 560,604</u>	<u>\$ (103,080)</u>	<u>\$ 638,611</u>	<u>\$ 115,297</u>

Ordinary Shares Outstanding

(In Thousands of Shares)

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2024	2023	2024	2023
Weighted average number of ordinary shares used in the computation of basic earnings (loss) per share	383,980	380,924	383,715	380,613
Effect of potentially dilutive ordinary shares:				
Employee share options	10,799	-	10,492	13,193
Restricted shares for employees	342	-	331	752
Employees' compensation	<u>128</u>	<u>-</u>	<u>191</u>	<u>381</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>395,249</u>	<u>380,924</u>	<u>394,729</u>	<u>394,939</u>

The Group may settle compensation paid to employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

The Group was in a deficit for the three months ended June 30, 2023; they are anti-dilutive and excluded from the effect of potentially ordinary shares.

27. SHARE-BASED PAYMENT ARRANGEMENTS

a. Employee share option plan of the Group

The outstanding options granted are valid for 10 years and exercisable at certain percentages after a certain period from the grant date. Except for options currently outstanding but granted before the IPO whose exercise price needs to be separately agreed on, other options were granted at an exercise price equal to the closing price of the Company's ordinary shares listed on the Taiwan Stock Exchange on the grant dates.

For any subsequent changes in Silergy's capital surplus, the exercise price or the number of shares corresponding to each option unit is adjusted in accordance with the rules for each plan. The exercise price is adjusted accordingly based on the agreed formula. If the exercise price after the adjustment is higher than before the adjustment, then it will not be adjusted. The Company passed the revision of its articles of incorporation regarding par value per share through its shareholders' meeting on May 27, 2022. According to the amendment, the par value per share changed from NT\$10 to NT\$2.5. The Company had completed the registration formalities and the reissuance of shares in July 2022. Consequently, the exercise price per share of outstanding employee share options has been adjusted to 25% of its original exercise price; and the number of each exercisable shares has been adjusted from 1 share to 4 shares.

The board of directors of Silergy agreed to issue 3,500,000 options on February 7, 2024. Each option entitles the holder to subscribe to one ordinary share of Silergy. Submission to the FSC is completed. The Company granted the employee share option warrants of 3,200,000 options in April 2024.

The board of directors of Silergy agreed to issue 3,000,000 options on March 12, 2024. Each option entitles the holder to subscribe to one ordinary share of Silergy. Submission to the FSC is completed.

Information on employee share options was as follows:

Employee Share Options	2024		2023	
	Units of Options	Weighted-average Exercise Price	Units of Options	Weighted-average Exercise Price
Balance at January 1	16,933,438	\$ 790	12,398,054	\$ 942
Options granted	6,020,288	359	2,587,500	462
Options exercised	(310,545)	570	(353,904)	587
Options expired	<u>(595,650)</u>	1,345	<u>-</u>	-
Balance at June 30	<u>22,047,531</u>	661	<u>14,631,650</u>	865
Options exercisable, at June 30	<u>4,577,885</u>	955	<u>3,763,291</u>	576
Weighted-average fair value of options granted (\$)	<u>\$ 149</u>		<u>\$ 180</u>	

For the six months ended June 30, 2024 and 2023, the weighted-average share prices at the date of exercise were NT\$430 and NT\$432, respectively.

Information about outstanding options as of the balance sheet date was as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Range of exercise price	\$258-\$4,265	\$258-\$4,265	\$262-\$4,265
Weighted-average remaining contractual life (years)	1.14-9.87	1.64-9.97	2.15-9.96

Options granted for the six months ended June 30, 2024 and 2023 were priced using the binomial option pricing model, and the inputs to the model were as follows:

Issue Date	Fair Value Per Option - Grant Date	Exercise Price	Expected Volatility	Expected Life	Expected Dividend Yield	Risk-free Interest
March 14, 2023	178-199	482.0	51.02%-53.66%	6 years-7.5 years	-	1.093%-1.120%
June 16, 2023	132-147	355.0	51.15%-53.94%	6 years-7.5 years	-	1.123%-1.143%
August 24, 2023	100-110	258.0	51.25%-53.34%	6.5 years-7.5 years	-	1.142%-1.162%
November 14, 2023	135-145	354.5	51.72%-55.48%	6 years-7.5 years	-	1.250%-1.265%
December 20, 2023	173-183	431.5	51.75%-55.88%	6 years-7.5 years	-	1.199%-1.205%
March 29, 2024	131-142	328.0	52.23%-56.70%	6 years-7.5 years	-	1.388%-1.415%
April 10, 2024	145-154	355.5	52.36%-56.27%	6 years-7.5 years	-	1.448%-1.475%
May 14, 2024	166-181	413.5	52.87%-56.75%	6 years-7.5 years	-	1.551%-1.583%

The compensation cost recognized was \$243,371 thousand, \$289,454 thousand, \$510,646 thousand and \$567,194 thousand for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, respectively.

b. Restricted shares for employees

The restrictions on the rights of the outstanding restricted shares for the six months ended June 30, 2024 and 2023 that have not met the vesting conditions are as follows:

- 1) The employees should not sell, pledge, transfer, donate or in any other way dispose of these shares.
- 2) The employees holding these shares are entitled to receive share dividends but not cash dividends, and they are not entitled to subscribe to new ordinary shares issued for cash.
- 3) The employees holding these shares have no voting rights.

If an employee fails to meet the vesting conditions, Silergy will recall and cancel the restricted shares without any reimbursement.

In the shareholders' meeting on May 30, 2024, the Company's shareholders proposed the issuance of 500,000 shares under a restricted share plan. The registration of this issuance was completed with the Financial Supervisory Commission (FSC).

Information on the restricted shares for employees is as follows:

Restricted Shares for Employees	For the Six Months Ended June 30	
	2024	2023
Balance at January 1	1,067,175	1,467,631
Shares issued	-	155,605
Shares vested	-	(299,276)
Share capital awaiting retirement	<u>(427,175)</u>	<u>-</u>
Balance at June 30	<u>640,000</u>	<u>1,323,960</u>

For the six months ended June 30, 2024 and 2023, information on the outstanding restricted employee shares is as follows:

Grant Date	Fair Value Per Share - Grant Date	Shares Granted (In Thousands of Shares)	Vesting Period
March 14, 2023	482	22	1 year
June 16, 2023	355	134	1 year-3 years

The compensation cost recognized was \$27,175 thousand, \$88,997 thousand, \$54,350 thousand and \$192,239 thousand for the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, respectively.

28. CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Group's capital structure management strategy is based on (a) its scale of operations and expected growth and product development - an appropriate market share target is determined, and the capital expenditures required to meet this target are estimated; (b) industry developments - the Group calculates the required working capital under an overall plan for long-term asset development; and (c) the Group's competitiveness - estimates are made of marginal contribution, operating profit rate and cash flows of possible products, taking into consideration the risk factors of industrial cyclical fluctuations and product life cycles to determine the Group's appropriate capital structure.

Management regularly reviews the Group's capital structure and considers the costs and risks of different capital structures. In general, the Group has a prudent risk management strategy.

29. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

Management believed the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Equity instruments	\$ <u> -</u>	\$ <u> -</u>	\$ <u>4,109,445</u>	\$ <u>4,109,445</u>

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Equity instruments	\$ <u> -</u>	\$ <u> -</u>	\$ <u>4,122,780</u>	\$ <u>4,122,780</u>

June 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Equity instruments	\$ <u> -</u>	\$ <u> -</u>	\$ <u>4,003,445</u>	\$ <u>4,003,445</u>

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the year ended June 30, 2024

Financial Assets (Liabilities)	Financial Assets	Financial	Total
	at FVTPL	Liabilities at	
	Equity	Contingent	
	Instruments	Consideration	
Balance at January 1, 2024	\$ 4,122,780	\$ -	\$ 4,122,780
Recognized in profit or loss	(251,976)	-	(251,976)
Distribute the principal	(56,968)	-	(56,968)
Additions	91,242	-	91,242
Translation adjustments	<u>204,367</u>	<u>-</u>	<u>204,367</u>
Balance at June 30, 2024	<u>\$ 4,109,445</u>	<u>\$ -</u>	<u>\$ 4,109,445</u>

For the year ended June 30, 2023

Financial Assets (Liabilities)	Financial Assets	Financial	Total
	at FVTPL	Liabilities at	
	Equity	Contingent	
	Instruments	Consideration	
Balance at January 1, 2023	\$ 3,729,859	\$ (16,858)	\$ 3,713,001
Recognized in profit or loss	92,973	1,165	94,138
Reclassification	-	15,693	15,693
Additions	260,605	-	260,605
Translation adjustments	<u>(79,992)</u>	<u>-</u>	<u>(79,992)</u>
Balance at June 30, 2023	<u>\$ 4,003,445</u>	<u>\$ -</u>	<u>\$ 4,003,445</u>

3) Valuation techniques and inputs applied for Level 3 fair value measurement

a) Equity instrument investments

Equity instrument investments are unlisted company shares with no active market. Fair values are estimated mainly using the asset-based approach or market approach, which is estimated with reference to the net asset value and Company's recent financing activities, valuation of similar companies, market conditions and other economic indicators, etc.

b) Contingent consideration

Contingent consideration is calculated based on the expected revenue of NewEdge with agreed formula.

c. Categories of financial instruments

	June 30, 2024	December 31, 2023	June 30, 2023
<u>Financial assets</u>			
Financial assets at FVTPL			
Equity instruments	\$ 4,109,445	\$ 4,122,780	\$ 4,003,445
Assets measured at amortized cost (1)	22,385,931	21,225,923	18,462,558

Financial liabilities

Measured at amortized cost (2)	3,096,628	2,363,583	2,259,614
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- 1) The balances included financial assets measured at amortized cost, which comprise cash and cash equivalents, financial assets measured at amortized cost, accounts receivable, other receivables (excluding tax receivable), refundable deposits and long-term accounts receivable.
- 2) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings, notes payable, accounts payable, accounts payable - related parties, other payables, long-term borrowing and guarantee deposits.

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, accounts receivable, other receivables, refundable deposits, long-term accounts receivable, notes payable accounts payable, other payables, lease liabilities and guarantee deposits. The Group's corporate treasury function provides services to the business departments, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below), interest rates (see (b) below) and other prices (see (c) below).

a) Foreign currency risk

The Group had foreign currency-denominated sales and purchases, which exposed the Group to foreign currency risk. The carrying amounts of the Group's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 32.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollar.

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency-denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit associated with the U.S. dollar strengthening 5% against the relevant currency. For a 5% weakening of the U.S. dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	U.S. Dollar Impact	
	For the Six Months Ended	
	June 30	
	2024	2023
Profit or loss and equity*	\$ 52,713	\$ 35,736

* This was mainly attributable to the exposure on outstanding U.S. dollar-denominated deposits, receivables and payables, which were not hedged at the end of the reporting period.

b) Interest rate risk

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	June 30, 2024	December 31, 2023	June 30, 2023
Fair value interest rate risk			
Financial assets	\$ 15,766,514	\$ 8,571,228	\$ 8,891,677
Financial liabilities	726,649	450,417	306,950
Cash flow interest rate risk			
Financial assets	3,764,686	9,736,703	7,421,595
Financial liabilities	525,137	-	-

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's floating-rate financial assets and financial liabilities at the end of the reporting period.

Had interest rates been 50 basis points higher and all other variables held constant, the Group's pretax profit for the six months ended June 30, 2024 and 2023 would have increased by \$8,099 thousand and \$18,554 thousand, respectively, which was mainly attributable to the Group's exposure to interest rate changes on its variable-rate bank deposits.

c) Other price risk

The Group's price risk of equity instrument investments in 2024 and 2023 is primarily from the investments in equity instruments at FVTPL.

If the price of the equity instrument increased (decreased) by 5% at the end of the reporting period, the Group's profit before tax would have increased (decreased) by \$205,472 thousand and \$200,172 thousand for the six months ended June 30, 2024 and 2023, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the year, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation approximates the carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly or non-publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The accounts receivable balances of individual customers that each accounted for more than 10% of the total balance as of June 30, 2024, December 31 and June 30, 2023, were as follows:

	June 30, 2024
Customer G	\$ 798,373
Customer F	<u>358,699</u>
	<u>\$ 1,157,072</u>
	December 31, 2023
Customer A	\$ 201,969
Customer G	541,785
Customer F	<u>358,905</u>
	<u>\$ 1,102,659</u>
	June 30, 2023
Customer F	\$ 290,666
Customer G	<u>229,264</u>
	<u>\$ 519,930</u>

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Group's working capital was sufficient and there was no liquidity risk due to lack of funds needed to meet contractual obligations.

	June 30, 2024	December 31, 2023	June 30, 2023
Lines of credit secured bank loans			
Unused amount	<u>\$ 2,731,942</u>	<u>\$ 2,601,136</u>	<u>\$ 1,292,867</u>
Lines of credit unsecured bank loans			
Used amount	<u>\$ 971,354</u>	<u>\$ 160,403</u>	<u>\$ _____</u>

30. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between Silergy and its subsidiaries, which are related parties of Silergy, had been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Company and its related parties are disclosed below.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
SMAT	Associate
WMT	Associate
Wuxin (Shanghai)	Associate

b. Purchases of goods

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2024	2023	2024	2023
Associates	<u>\$ 17,513</u>	<u>\$ 9,276</u>	<u>\$ 34,949</u>	<u>\$ 19,974</u>

Terms and conditions for purchases of goods from related parties are the same as that of general transactions.

c. Receivables from related parties

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Other receivables	Associates	<u>\$ 20,950</u>	<u>\$ 18,333</u>	<u>\$ _____</u>

d. Payables to related parties

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Accounts payable - related parties	Associates	<u>\$ 11,561</u>	<u>\$ 3,577</u>	<u>\$ 5,486</u>

e. Disposal of property, plant and equipment

Related Party Category/Name	Proceeds		Gain on Disposal	
	For the Six Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
Associates	\$ 1,694	\$ -	\$ 470	\$ -

f. Others

Research and development expense	Associates	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2024	2023	2024	2023
		\$ 213	\$ 1,466	\$ 409	\$ 2,217

Line Item	Related Party Category/Name	June 30, 2024	December 31, 2023	June 30, 2023
Refundable deposits	Associates	\$ 6,830	\$ 6,503	\$ 6,464
Contract liabilities	Associates	\$ -	\$ 60	\$ -

g. Remuneration of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2023	2024	2023
	Salaries	\$ 16,231	\$ 10,898	\$ 28,818
Post-employment benefits	338	312	446	514
Share-based payments	356	1,013	1,565	2,316
	\$ 16,925	\$ 12,223	\$ 30,829	\$ 27,052

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group on June 30, 2024 were as follows:

Significant Unrecognized Commitment

The Group signed long-term raw material purchase contracts with several suppliers and paid a certain amount of money as a deposit. The contracts also stipulated the minimum purchase amount per year. As of June 30, 2024, the Group did not need to recognize any liability provisions due to signing long-term raw material purchase contracts with suppliers. The Group was unable to reach the minimum purchase amount in 2023, and the Group paid the penalty of \$108,292 thousand according to contracts.

To reduce its impact, the Group signed supply-chain contracts with several customers to guarantee specific production capacity and received a certain amount of money as a deposit.

32. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Group and the exchange rates between the foreign currencies and the respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

(Foreign Currencies and Carrying Amounts in Thousands)

June 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 4,469	32.450 (USD:NTD)	\$ 145,019
USD	29,558	7.1268 (USD:RMB)	959,151
USD	364	1,366.89 (USD:KRW)	11,798
USD	696	8.1666 (USD:MOP)	22,599
NTD	156,884	0.0308 (NTD:USD)	156,884
HKD	324	0.1280 (HKD:USD)	<u>1,347</u>
			<u>\$ 1,296,798</u>

Financial liabilities

Monetary items			
USD	421	32.450 (USD:NTD)	\$ 13,660
USD	2,177	7.1268 (USD:RMB)	70,656
NTD	9,821	0.0308 (NTD:USD)	<u>9,821</u>
			<u>\$ 94,137</u>

December 31, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 868	30.705 (USD:NTD)	\$ 26,640
USD	34,269	7.0827 (USD:RMB)	1,052,241
USD	587	1,284.19 (USD:KRW)	18,032
USD	553	8.1706 (USD:MOP)	16,972
GBP	54	1.2750 (GBP:USD)	2,120
HKD	841	0.1296 (HKD:USD)	<u>3,346</u>
			<u>\$ 1,119,351</u>

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 361	30.705 (USD:NTD)	\$ 11,098
USD	1,715	7.0827 (USD:RMB)	52,661
NTD	15,593	0.0326 (NTD:USD)	<u>15,593</u>
			<u>\$ 79,352</u>
			(Concluded)

June 30, 2023

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 2,848	31.14 (USD:NTD)	\$ 88,676
USD	23,799	7.2258 (USD:RMB)	741,098
USD	417	1,308.40 (USD:KRW)	12,998
USD	121	8.2088 (USD:MOP)	3,756
GBP	43	1.2646 (GBP:USD)	1,695
HKD	256	1.0476 (HKD:MOP)	1,017
HKD	1,406	0.1276 (HKD:USD)	<u>5,586</u>
			<u>\$ 854,826</u>

Financial liabilities

Monetary items			
USD	466	31.14 (USD:NTD)	\$ 14,522
USD	3,766	7.2258 (USD:RMB)	117,281
NTD	6,141	0.0321 (NTD:USD)	<u>6,141</u>
			<u>\$ 137,944</u>

For the three months ended June 30, 2024 and 2023 and for the six months ended June 30, 2024 and 2023, realized and unrealized net foreign exchange gains were \$69,703 thousand, \$70,715 thousand, \$109,624 thousand and \$46,782 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

33. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

- 1) Financing provided to others (None)
- 2) Endorsements/guarantees provided (Table 1)

- 3) Marketable securities held (excluding investments in subsidiaries and associates) (Table 2)
 - 4) Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (None)
 - 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (None)
 - 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 3)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
 - 9) Trading in derivative instruments (None)
 - 10) Intercompany relationships and significant intercompany transactions (Table 4)
- b. Information on investees (Table 5)
- c. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: (Table 6)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period. (Note 30 and Table 4)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. (Tables 3 and 4)
 - c) The amount of property transactions and the amount of the resultant gains or losses. (None)
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes. (Table 1)
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds. (None)
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services. (None)
- d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 7)

34. SEGMENT INFORMATION

Information reported to the chief operating decision maker is for the purposes of resource allocation and assessment of segment performance. Under IFRS 8 “Operating Segments,” if the operating revenue of an operating segment accounts for up to 90% of the Group’s total revenue, the Group is considered as having only one reportable segment.

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship (Note 2)											
0	Silergy Corp.	Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	2	\$ 16,462,505	\$ 3,245,000	\$ 3,245,000	\$ 1,687,400	\$ -	9.86	\$ 32,925,010	Y	N	Y	
		Xian Silergy Semiconductor Technology Co., Ltd.	2	16,462,505	973,500	973,500	486,750	-	2.96	32,925,010	Y	N	Y	
1	Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	Hangzhou Silergy Test Technology Co., Ltd.	2	11,702,634	4,553,236	4,553,236	4,553,236	-	19.45	23,405,268	N	N	Y	
		Nanjing Silergy Micro Technology Co., Ltd.	2	7,021,580	2,276,618	2,276,618	-	-	9.73	23,405,268	N	N	Y	
		Hefei Silergy Semiconductor Technology Co., Ltd.	2	11,702,634	956,179	956,179	-	-	4.09	23,405,268	N	N	Y	

Note 1: No. 0 represents the parent company; other numbers represent subsidiaries.

Note 2: The nature of the relationship between the endorser/guarantor and the endorsee/guarantee are represented by the following numerals:

- No. 1 - companies with business transactions.
- No. 2 - a subsidiary directly holding over 50% of the ordinary shares.
- No. 3 - a parent and subsidiary collectively holding over 50% of the ordinary shares of the investee company.
- No. 4 - a parent company holding 50% of the ordinary shares directly or through a subsidiary indirectly.
- No. 5 - companies (based on the contractual project requirements of the same industry) with contractual mutual guarantees.
- No. 6 - companies guaranteed by their respective ordinary shareholdings in accordance with mutual investment relations.
- No. 7 - companies engaged in performance guarantees of contracts related to the pre-sale of real estate in accordance with the Consumer Protection Law.

Note 3: Limit on endorsements/guarantees provided for single:

- No. 1 - The total amount of the guarantee shall not exceed 50% of the net value of the endorser if a parent and subsidiary collectively hold 100% of the shares of the endorsee.
- No. 2 - The total amount of the guarantee shall not exceed 30% of the net value of the endorser if a parent and subsidiary collectively are not holding 100% of the shares of the endorsee.

Note 4: The total amount of guarantee shall not exceed 100% of the endorser's net value.

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

JUNE 30, 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Silergy Corp.	Shares							
	Alphatecture Venture Fund Limited Partnership	-	Financial assets at FVTPL - non-current	-	\$ 221,928 (US\$ 6,839,083)	7.760	\$ 221,928 (US\$ 6,839,083)	
Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	Wuxi Huaxin Semiconductor Partnership (L.P.)	-	Financial assets at FVTPL - non-current	-	-	3.442	-	
	Hangzhou Hualan Microelectronique Co., Ltd.	-	Financial assets at FVTPL - non-current	1,166,700	29,863 (US\$ 6,558,648)	0.778	29,863 (RMB 6,558,648)	
	Calterah Semiconductor Technology (Shanghai) Co., Ltd.	-	Financial assets at FVTPL - non-current	-	61,687 (RMB 13,547,939)	8.953	61,687 (RMB 13,547,939)	
	Shenzhen Anchuang Technology Equity Investment Partnership (Limited Partnership)	-	Financial assets at FVTPL - non-current	-	27,319 (RMB 6,000,000)	6.780	27,319 (RMB 6,000,000)	
	Powerland Technology Inc.	-	Financial assets at FVTPL - non-current	-	387,360 (RMB 85,073,639)	5.545	387,360 (RMB 85,073,639)	
	Ningbo Meishan Bonded Port Area Anchuang Growth Equity Investment Partnership L.P.	-	Financial assets at FVTPL - non-current	-	79,682 (RMB 17,500,000)	1.186	79,682 (RMB 17,500,000)	
	Shanghai Geometrical Perception and Learning Co., Ltd.	-	Financial assets at FVTPL - non-current	-	75,640 (RMB 16,612,328)	2.429	75,640 (RMB 16,612,328)	
	Yiwu Huaxin Yuanjing Venture Investment Center L.P.	-	Financial assets at FVTPL - non-current	-	136,597 (RMB 30,000,000)	2.147	136,597 (RMB 30,000,000)	
	Zhejiang Sentronic Semiconductor Co., Ltd.	-	Financial assets at FVTPL - non-current	-	159,012 (RMB 34,922,875)	23.169	159,012 (RMB 34,922,875)	
	Hangzhou Einno Semiconductor Co., Ltd.	-	Financial assets at FVTPL - non-current	-	53,105 (RMB 11,663,073)	10.763	53,105 (RMB 11,663,073)	
	Hangzhou Xinling Enterprise Management Partnership L.P.	-	Financial assets at FVTPL - non-current	-	142,679 (RMB 31,335,789)	36.857	142,679 (RMB 31,335,789)	
	Chengdu Analog Circuit Technology Inc.	-	Financial assets at FVTPL - non-current	631,333	263,695 (RMB 57,913,777)	1.126	263,695 (RMB 57,913,777)	
	Hefei Walden II IC Industry Investment Partnership L.P.	-	Financial assets at FVTPL - non-current	-	616,246 (RMB 135,342,410)	11.066	616,246 (RMB 135,342,410)	
	Fujian Baicheng New Energy Technology Co., Ltd.	-	Financial assets at FVTPL - non-current	-	71,481 (RMB 15,698,873)	5.776	71,481 (RMB 15,698,873)	
	Enovate3D (Hangzhou) Technology Co., Ltd.	-	Financial assets at FVTPL - non-current	-	120,710 (RMB 26,510,750)	10.863	120,710 (RMB 26,510,750)	
	Zhejiang Hexin Semiconductor Co., Ltd.	-	Financial assets at FVTPL - non-current	-	199,108 (RMB 43,728,857)	3.600	199,108 (RMB 43,728,857)	
	Shenzhen Juyuan Xinchuang Capital Fund, LLP.	-	Financial assets at FVTPL - non-current	-	364,259 (RMB 80,000,000)	1.684	364,259 (RMB 80,000,000)	
	Guangzhou Huaxin Shengjing Venture Capital Center (Limited Partnership)	-	Financial assets at FVTPL - non-current	-	95,618 (RMB 21,000,000)	1.408	95,618 (RMB 21,000,000)	
	Xiamen Jianda Guili Equity Partners LLP.	-	Financial assets at FVTPL - non-current	-	159,363 (RMB 35,000,000)	58.236	159,363 (RMB 35,000,000)	
	Hangzhou Xight Semi-conductor Technology Co., Ltd.	-	Financial assets at FVTPL - non-current	-	8,065 (RMB 1,771,205)	6.328	8,065 (RMB 1,771,205)	
Hangzhou Xinruiwei Equity Investment Partnership (Limited Partnership)	-	Financial assets at FVTPL - non-current	-	-	38.994	-		
Hangzhou Huaxin Yunkai Equity Investment Partnership (Limited Partnership)	-	Financial assets at FVTPL - non-current	-	136,597 (RMB 30,000,000)	2.430	136,597 (RMB 30,000,000)		

(Continued)

Holding Company Name	Type and Issuer of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2024				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
	Sichuan ZILLNK Technology Co., Ltd.	-	Financial assets at FVTPL - non-current	-	\$ 136,666 (RMB 30,015,226)	2.109	\$ 136,666 (RMB 30,015,226)	
	Suzhou Juyuan Zhenxin Capital Fund, LLP.	-	Financial assets at FVTPL - non-current	-	318,727 (RMB 70,000,000)	3.325	318,727 (RMB 70,000,000)	
	Hangzhou Zhitong Enterprise Management Partnership L.P.	-	Financial assets at FVTPL - non-current	-	159,363 (RMB 35,000,000)	34.996	159,363 (RMB 35,000,000)	
	Hangzhou Haibang Shurui Equity Investment Partnership Enterprise (Limited Partnership)	-	Financial assets at FVTPL - non-current	-	31,873 (RMB 7,000,000)	2.456	31,873 (RMB 7,000,000)	
Nanjing Silergy Micro Technology Co., Ltd.	Zhenjiang Puhe Equity Investment Fund Partnership (Limited Partnership)	-	Financial assets at FVTPL - non-current	-	45,532 (RMB 10,000,000)	4.975	45,532 (RMB 10,000,000)	
Silergy Technology	AIStorm, Inc.	-	Financial assets at FVTPL - non-current	178,784	7,270 (US\$ 224,052)	0.667	7,270 (US\$ 224,052)	

Note: Refer to Tables 5 and 6 for information about subsidiaries and associates.

(Concluded)

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	Silergy Corp.	Parent company	Sale	\$ (655,711)	(11.59)	Net 30 days from the end of the month when the invoice is issued	\$ -	-	\$ 45,955	4.88	Note 2
Nanjing Silergy Micro Technology Co., Ltd.	Silergy Corp.	Parent company	Sale	(283,461)	(41.04)	Net 30 days from the end of the month when the invoice is issued	-	-	-	-	Note 2
Xian Silergy Semiconductor Technology Co., Ltd.	Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	The same ultimate parent company	Sale	(285,475)	(47.78)	Net 30 days from the end of the month when the invoice is issued	-	-	43,041	48.92	Note 2

Note 1: Transaction terms and prices between the Company and its subsidiaries are similar to regular transactions.

Note 2: Intercompany balances and transactions were eliminated upon consolidation.

Note 3: Paid-in capital referred to herein is the parent company's paid-in capital. 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 the equity attributable to owners of the parent in the calculation.

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counterparty	Flow of Transactions (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 4)	Terms (Note 5)	Percentage to Consolidated Total Gross Sales or Total Assets (Note 3)
0	Silergy Corp.	Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	1	Accounts payable	\$ 45,955	-	0.12
		Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	1	Other payable	25,501	-	0.07
		Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	1	Operating expenses	37,362	-	0.44
		Nanjing Silergy Micro Technology Co., Ltd.	1	Prepaid expenses	42,579	-	0.11
		Silergy Technology	1	Other payable	34,499	-	0.09
		Silergy Technology	1	Unearned receipts	170	-	-
		Silergy Technology	1	Sales	25,146	-	0.30
		Silergy Technology	1	Operating expenses	355,393	-	4.20
		Silergy Semiconductor (Samoa) Limited	1	Other payable	21,662	-	0.06
		Silergy Technology (Taiwan) Inc.	1	Other payable	23,258	-	0.06
		Silergy Technology (Taiwan) Inc.	1	Operating expenses	191,490	-	2.26
		Silergy Korea Limited	1	Other payable	98,211	-	0.26
		Silergy Korea Limited	1	Operating expenses	34,443	-	0.41
		Silergy Technology Private Limited	1	Other payable	11,724	-	0.03
		Silergy Technology Private Limited	1	Operating expenses	6,802	-	0.08
Silergy Semiconductor (Macau) Limited	1	Other payable	4,338	-	0.01		
Silergy Semiconductor (Macau) Limited	1	Operating expenses	90,735	-	1.07		
1	Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	Silergy Corp.	2	Sales	655,711	-	7.75
		Nanjing Silergy Micro Technology Co., Ltd.	3	Sales	621	-	0.01
		Xian Silergy Semiconductor Technology Co., Ltd.	3	Sales	881	-	0.01
		Xian Silergy Semiconductor Technology Co., Ltd.	3	Accounts payable	43,041	-	0.12
		Chengdu Silergy Semiconductor Technology Co., Ltd.	3	Operating expenses	44,897	-	0.53
		Shanghai Silergy Semiconductor Technology Co., Ltd.	3	Operating expenses	96,729	-	1.14
		Silergy Technology	3	Sales	9,311	-	0.11
		Hefei Silergy Semiconductor Technology Co., Ltd.	3	Sales	748	-	0.01
		Xiamen Silergy Semiconductor Technology Co., Ltd.	3	Operating expenses	35,918	-	0.42
		Silergy Technology (Taiwan) Inc.	3	Other payable	1,722	-	-
2	Xian Silergy Semiconductor Technology Co., Ltd.	Silergy Corp.	2	Sales	3,654	-	0.04
		Silergy Technology	3	Sales	3,699	-	0.04
		Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	3	Sales	285,475	-	3.38
		Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	3	Accounts receivable	43,041	-	0.12

(Continued)

No. (Note 1)	Company Name	Counterparty	Flow of Transactions (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 4)	Terms (Note 5)	Percentage to Consolidated Total Gross Sales or Total Assets (Note 3)
3	Nanjing Silergy Micro Technology Co., Ltd.	Silergy Corp.	2	Sales	\$ 283,461	-	3.35
		Silergy Technology	3	Sales	5,382	-	0.06
		Silergy Technology	3	Accounts receivable	227	-	-
		Silergy Technology (Taiwan) Inc.	3	Sales	133	-	-
		Nanjing Silergy Micro (HK) Co., Limited	3	Accounts payable	39	-	-
		Nanjing Silergy Micro (HK) Co., Limited	3	Operating expenses	336	-	-
		Shanghai Silergy Microelectronics Technology Co., Ltd.	3	Operating expenses	82,594	-	0.98
4	Nanjing Silergy Micro (HK) Co., Limited	Silergy Corp.	2	Sales	1,635	-	0.02
		Nanjing Silergy Micro Technology Co., Ltd.	3	Sales	38	-	-
		Silergy Technology (Taiwan) Inc.	3	Accounts payable	31,583	-	0.09
		Silergy Technology (Taiwan) Inc.	3	Other payable	1,502	-	-
		Silergy Technology (Taiwan) Inc.	3	Operating expenses	2,148	-	0.03
5	Silergy Technology	Silergy Corp.	2	Sales	157	-	-
6	Silergy Technology (Taiwan) Inc.	Nanjing Silergy Micro (HK) Co., Limited	3	Sales	51,049	-	0.60
7	Hefei Silergy Semiconductor Technology Co., Ltd	Silergy Corp.	2	Sales	2,090	-	0.02
		Silergy Technology	3	Sales	190	-	-

Note 1: No. 0 represents the parent company; other numbers represent subsidiaries.

Note 2: The directional flow of the transactions are represented by the following numerals:

- No. 1 - from parent company to subsidiary.
- No. 2 - from subsidiary to parent company.
- No. 3 - between subsidiaries.

Note 3: The accounts in the consolidated balance sheets and those in the consolidated statements of comprehensive income were based on the Company's consolidated total assets and total gross sales, respectively.

Note 4: Intercompany balances and transactions were eliminated upon consolidation.

Note 5: The selling prices and payment terms for intercompany sales and purchases were not significantly different from those for unrelated parties. For other intercompany transactions, prices and terms were based on mutual agreements.

(Concluded)

SILERGY CORP.
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES

INFORMATION ON INVESTEEES
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		As of June 30, 2024			Net Income (Loss) of the Investee (Notes 3 and 4)	Share of Profit (Loss) (Notes 1, 3 and 4)	Note
				June 30, 2024	December 31, 2023	Number of Shares	Percentage of Ownership (%)	Carrying Amount (Notes 1 and 2)			
Silergy Corp.	Silergy Technology	Suite 100, 1307 S. Mary Ave. Sunnyvale City, Santa Clara County, California State, U.S.A.	Development, design and sales of power management IC	US\$ 7,378,454	US\$ 7,378,454	-	100.00	\$ 275,830	\$ (175,240)	\$ (175,240)	Subsidiary
	Silergy Semiconductor (Samoa) Limited	Portcullis TrustNet chambers, P.O. Box 1225, Apia, Samoa	Holding company	US\$ 24,300,000	US\$ 24,300,000	-	100.00	549,159	(US\$ -5,493,242)	(US\$ -5,493,242)	Subsidiary
	Silergy Semiconductor (Hong Kong) Limited	15/F., BOC Group Life Assurance Tower, 136 Des Voeux Road Central, Hong Kong	Holding company	US\$ 12,300,000	US\$ 11,800,000	-	100.00	202,315	(US\$ -126,126)	(US\$ -126,126)	Subsidiary
	Silicon Prospect Investment Limited	Portcullis Chambers, 4 th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Island	Holding company	US\$ 13,000,000	US\$ 13,000,000	-	100.00	190,194	(US\$ 8,038)	(US\$ 8,038)	Subsidiary
Silergy Semiconductor (Samoa) Limited	Silergy Technology (Taiwan) Inc.	7F.-8, No. 38, Taiyuan St., Zhubei City, Hsinchu County 302, Taiwan	Development, design and sale of electronic components	314,831	314,831	31,700,000	100.00	270,407	(US\$ 251,968)	(US\$ 251,968)	Subsidiary
	Silergy Technologies Private Limited	Unit #501, 5 th Floor, Prestige Towers, Residency Road, Bangalore-560025, Karnataka, India	Development, design and sale of electronic components	US\$ 38,200	US\$ 38,200	-	100.00	20,854	(US\$ -6,195)	(US\$ -6,195)	Subsidiary
	Silergy Korea Limited	#1202, #1203, 120 Heungdeokjungang-ro, Giheung-gu, Yongin-si, Gyeonggi-do, Korea (UTOWER)	Development, design and sale of electronic components	US\$ 600,000 (KRW 655,800,000)	US\$ 600,000 (KRW 655,800,000)	-	100.00	95,969	(US\$ 8,298)	(US\$ 8,298)	Subsidiary
Silergy Semiconductor (Hong Kong) Limited	Silergy Semiconductor (Macau) Limited	15/C, Kung Ou Edf, 367-371 Avenida da Praia Grande, Macau	Development and design of electronic components	US\$ 111,372 (MOP 900,000)	US\$ 111,372 (MOP 900,000)	-	100.00	21,871	(MOP 21,193)	(MOP 21,193)	Subsidiary
Nanjing Silergy Micro Technology Co., Ltd.	Nanjing Silergy Micro (HK) Co., Limited	Unit 701, 7/F Citicorp CTR 18 Whitfield Rd, Causeway Bay, Hong Kong	Development, design and sale of electronic components	US\$ 5,200,960	US\$ 5,200,960	-	100.00	394,624	(US\$ 4,822,743)	(US\$ 4,822,743)	Subsidiary
Silicon Prospect Investment Limited	Winsheng Material Technology Co., Ltd.	No. 191, Jieyukeng Rd., Rueifang Dist., New Taipei City	Manufacturing and selling of electronic components	362,109	362,109	14,453,631	44.46	181,482	(73,035)	(33,093)	Related company

Note 1: Except for Winsheng Material Technology Co., Ltd., the carrying amount of the investments and the share of profit or loss were eliminated upon consolidation.

Note 2: Translation was based on the exchange rate on June 30, 2024.

Note 3: Translation was based on the average exchange rate for the six months ended June 30, 2024.

Note 4: Information was based on the investee's current year's audited financial statements.

Note 5: Refer to Table 6 for information on investments in mainland China.

SILERGY CORP.
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INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2024	Net Income (Loss) of the Investee (Note 2)	Percentage of Ownership (%)	Investment Income (Loss) Recognized (Notes 2, 3 and 4)	Carrying Amount as of June 30, 2024 (Notes 1 and 4)	Accumulated Repatriation of Investment Income as of June 30, 2024
					Outward	Inward						
Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	Development, design and sale of electronic components and related technical services	US\$ 58,520,270 (RMB 381,687,917)	Through Silergy Corp.	\$ -	\$ -	\$ -	\$ -	\$ 1,697,633 (RMB 378,113,272)	100.00	\$ 1,697,633 (RMB 378,113,272)	\$ 23,404,667	\$ -
Hangzhou Silergy Test Technology Co., Ltd.	Testing of electronic components, integrated circuits, semiconductors and electronic products	RMB 150,000,000	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	(3,491) (RMB -777,624)	100.00	(3,491) (RMB -777,624)	676,564	-
Nanjing Silergy Micro Technology Co., Ltd.	Development, design and sale of electronic components	RMB 49,296,575	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	(55,273) (RMB -12,311,024)	63.83	(35,281) (RMB -7,858,150)	1,143,042	-
Xian Silergy Semiconductor Technology Co., Ltd.	Development, design, and sale of electronic components, integrated circuits, semiconductors and electronic products	RMB 91,000,000	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	152,690 (RMB 34,008,489)	100.00	152,690 (RMB 34,008,489)	1,731,006	-
Chengdu Silergy Semiconductor Technology Co., Ltd.	Development and design of electronic components, integrated circuits, semiconductors and electronic products	RMB 34,000,000	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	(3,299) (RMB -734,777)	100.00	(3,299) (RMB -734,777)	59,889	-
Shanghai Silergy Semiconductor Technology Co., Ltd.	Development and design of electronic components, integrated circuits, semiconductors and electronic products	RMB 10,000,000	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	13,354 (RMB 2,974,221)	49.00	6,544 (RMB 1,457,368)	(3,322)	-
Hefei Silergy Semiconductor Technology Co., Ltd.	Development, design and sale of electronic components	RMB 60,000,000	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	45,727 (RMB 10,184,836)	100.00	45,727 (RMB 10,184,836)	330,833	-
Xiamen Silergy Semiconductor Technology Co., Ltd.	Development and design of electronic components, integrated circuits, semiconductors and electronic products	RMB 10,000,000	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	(952) (RMB -211,948)	100.00	(952) (RMB -211,948)	23,214	-
Shanghai Silergy Microelectronics Technology Co., Ltd.	Development and design of electronic components, integrated circuits, semiconductors and electronic products	RMB 53,000,000	Through Nanjing Silergy Micro Technology Co., Ltd.	-	-	-	-	6,835 (RMB 1,522,341)	63.83	4,363 (RMB 971,713)	(613)	-
Guangdong Silergy Micro Technology Co., Ltd.	Development and design of electronic components, integrated circuits, semiconductors and electronic products	RMB 5,000,000	Through Nanjing Silergy Micro Technology Co., Ltd.	-	-	-	-	(5,277) (RMB -1,175,396)	63.83	(3,368) (RMB -750,257)	7,889	-
Hefei SMAT Technology Co., Ltd.	Development and manufacturing of vehicles and IOT	RMB 505,000,000	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	(79,780) (RMB -17,769,367)	23.66	(18,878) (RMB -4,204,836)	240,564 (Note 6)	-
	Development and manufacturing of vehicles and IOT	RMB 505,000,000	Through Silergy Semiconductor (Hong Kong) Limited	-	-	-	-	(79,780) (US\$ -2,500,861)	14.63	(11,671) (US\$ -365,852)	165,033	-
Zhuhai Hengqin Accu-Rate Technology Co., Ltd.	Development and manufacturing of integrated circuits	RMB 1,428,600	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	(11,933) (RMB -2,657,894)	26.92	(4,806) (RMB -1,070,367)	130,780	-
JT Microelectronics (Shenzhen) Co., Ltd.	Development and design of integrated circuits and semiconductors	RMB 1,434,192	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	(50,510) (RMB -11,250,135)	6.34	(4,781) (RMB -1,064,854)	47,725	-
Wuxin (Shanghai) Semiconductor Technology Co., Ltd.	Development and sale of integrated circuits	RMB 100,000,000	Through Silergy Semiconductor Technology (Hangzhou) Co., Ltd.	-	-	-	-	(13,069) (RMB -2,910,818)	35.00	(4,575) (RMB -1,018,786)	150,024	-

Accumulated Outward Remittance for Investments from Taiwan in Mainland China as of June 30, 2024	Investment Amount Authorized by the Investment Commission, MOEA	Limit on the Amount of Investment Stipulated by the Investment Commission, MOEA
\$ - (Note 5)	\$ - (Note 5)	\$ - (Note 5)

(Continued)

Note 1: Translation was based on the exchange rate on June 30, 2024.

Note 2: Translation was based on the average exchange rate for the six months ended June 30, 2024.

Note 3: Information was based on the investee's audited financial statements for the current year.

Note 4: Except for Hefei SMAT Technology Co., Ltd., Accu-Rate, JT Microelectronics (Shenzhen) Co., Ltd., and Wuxin (Shanghai) Semiconductor Co., Ltd. the carrying amount of the investments and the share of profit or loss were eliminated upon consolidation.

Note 5: Foreign security issuers are not subject to the investment limitation set out in the "Guidelines on Investment and Technical Cooperation in Mainland China" issued by the Ministry of Economic Affairs on August 29, 2008, whereby the limit is 60% of an investment entity's most recent net value.

Note 6: Refers to the net amount after deducting the unrealized gain on disposal of intangible assets.

(Concluded)

TABLE 7**SILERGY CORP.**
(Incorporated in the Cayman Islands)
AND SUBSIDIARIES**INFORMATION OF MAJOR SHAREHOLDERS**
FOR THE SIX MONTHS ENDED JUNE 30, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Chen Wei	27,924,560	7.24
Investment account of Fidelity Funds managed by Standard Chartered Bank business department	20,175,000	5.23

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preferred shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual trustor who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to the Market Observation Post System website of the TWSE.