

## **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, 2023 and 2022, and the consolidated statements of comprehensive income for the three months ended June 30, 2023 and 2022 and for the six months ended June 30, 2023 and 2022, the consolidated statements of changes in equity and cash flows for the six months then ended June 30, 2023 and 2022, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (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, 2023 and 2022, its consolidated financial performance for the three months ended June 30, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the six months ended June 30, 2023 and 2022 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 Auditing and Attestation of Financial Statements by 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, 2023. 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, 2023 are stated as follows:

#### **Occurrence of Sales Revenue for Specific Customers**

The sales revenue amounted to NT\$7,032,402 thousand for the six months ended June 30, 2023. The revenue trend for certain specific customers is contrary to that of the Company, and the sales amount was significant;

thus, the occurrence of sales revenue for specific customers was identified as a key audit matter.

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

1. We obtained an understanding of and evaluated the operating procedures and internal controls related to revenue recognition. We tested the design and implementation effectiveness of the control.
2. We selected samples and tested sales transactions from specific customers, by inspecting orders, delivery documents, receipts of payment and sent confirmation letters to verify the occurrence of sales revenue.
3. We confirmed that there were no material sales returns and discounts, and supporting documents for the six months ended June 30, 2023 and for the subsequent period.

#### Assessment of Allowance for Inventory Impairment

As of June 30, 2023, the carrying amount of the Company's inventories was NT\$3,830,020 thousand, which is a significant amount that accounts for 11% of the Company's total consolidated assets. As determining the related allowance for inventory impairment is subject to management's judgement and the management of physical inventories plus market competition can affect the estimation of the net realizable value of inventory, we considered the allowance for inventory impairment as a key audit matter.

Our main audit procedures performed in response to the key audit matter described above were as follows:

1. We obtained an understanding of the inventory management-related internal control systems and evaluated its design and implementation.
2. A test is carried out with the "Inventory Aging Report" and "Net Realizable Value of Inventories Report" used for the assessment. The test includes the verification of the report's integrity and net realizable value and recalculations for verifying the accuracy of related reports. In the meantime, a retrospective test is also carried out based on impairment losses incurred and whether such losses occur in the subsequent period.

#### **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, 2023 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 24, 2023

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

**CONSOLIDATED BALANCE SHEETS**  
**JUNE 30, 2023, DECEMBER 31, 2022 AND JUNE 30, 2022**  
(In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2023		December 31, 2022		June 30, 2022	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 15,123,735	45	\$ 14,943,680	42	\$ 14,838,357	47
Financial assets at amortized cost - current	1,292,867	4	2,425,193	7	1,107,071	3
Accounts receivable, net	1,334,486	4	1,617,688	5	2,408,150	8
Other receivables	234,524	1	87,226	-	134,181	-
Inventories	3,830,020	11	5,111,128	15	3,595,754	11
Prepayments	276,741	1	353,981	1	369,005	1
Total current assets	<u>22,092,373</u>	<u>66</u>	<u>24,538,896</u>	<u>70</u>	<u>22,452,518</u>	<u>70</u>
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through profit or loss - non-current	4,003,445	12	3,729,859	11	3,633,919	12
Investments accounted for using equity method	849,604	2	941,434	3	855,260	3
Property, plant and equipment	1,932,628	6	1,862,613	5	1,498,078	5
Right-of-use assets	871,952	3	621,941	2	112,395	-
Investment properties	576,526	2	603,982	2	638,076	2
Goodwill	1,519,230	5	1,504,441	4	1,462,193	5
Other intangible assets	637,283	2	665,000	2	738,076	2
Deferred tax assets	293,213	1	164,883	-	91,989	-
Refundable deposits	433,693	1	425,895	1	354,593	1
Long-term accounts receivable, net	163,763	-	167,559	-	-	-
Net defined benefit assets - non-current	-	-	-	-	919	-
Long-term prepayments	59,252	-	47,669	-	60,931	-
Total non-current assets	<u>11,340,589</u>	<u>34</u>	<u>10,735,276</u>	<u>30</u>	<u>9,446,429</u>	<u>30</u>
<b>TOTAL</b>	<u>\$ 33,432,962</u>	<u>100</u>	<u>\$ 35,274,172</u>	<u>100</u>	<u>\$ 31,898,947</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Financial liabilities at fair value through profit or loss - current	\$ -	-	\$ 16,858	-	\$ 16,931	-
Notes and accounts payable	469,244	2	601,448	2	1,185,396	4
Accounts payable - related parties	5,486	-	4,694	-	4,568	-
Other payables	694,965	2	1,344,035	4	937,407	3
Current tax liabilities	265,170	1	360,825	1	380,755	1
Lease liabilities - current	90,312	-	51,376	-	44,462	-
Other current liabilities	35,586	-	35,847	-	36,356	-
Total current liabilities	<u>1,560,763</u>	<u>5</u>	<u>2,415,083</u>	<u>7</u>	<u>2,605,875</u>	<u>8</u>
<b>NON-CURRENT LIABILITIES</b>						
Deferred tax liabilities	75,442	-	19,709	-	22,170	-
Lease liabilities - non-current	216,638	1	52,484	-	45,788	-
Net defined benefit liabilities - non-current	1,596	-	1,363	-	-	-
Guarantee deposits	1,089,919	3	1,293,469	4	1,188,685	4
Other non-current liabilities	10	-	10	-	-	-
Total non-current liabilities	<u>1,383,605</u>	<u>4</u>	<u>1,367,035</u>	<u>4</u>	<u>1,256,643</u>	<u>4</u>
Total liabilities	<u>2,944,368</u>	<u>9</u>	<u>3,782,118</u>	<u>11</u>	<u>3,862,518</u>	<u>12</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>						
Share capital						
Common shares	957,828	3	953,900	3	950,227	3
Capital surplus	11,799,564	35	10,946,900	31	10,138,198	32
Retained earnings						
Legal reserve	996,568	3	996,568	3	996,568	3
Special reserve	213,051	1	1,461,963	4	1,461,963	5
Unappropriated earnings	16,756,545	50	17,103,077	48	14,813,500	46
Total retained earnings	<u>17,966,164</u>	<u>54</u>	<u>19,561,608</u>	<u>55</u>	<u>17,272,031</u>	<u>54</u>
Other equity						
Exchange differences on translating foreign operations	(524,250)	(2)	(213,051)	(1)	(460,472)	(1)
Unearned employee benefits	(351,785)	(1)	(486,073)	(1)	(473,514)	(2)
Total other equity	<u>(876,035)</u>	<u>(3)</u>	<u>(699,124)</u>	<u>(2)</u>	<u>(933,986)</u>	<u>(3)</u>
Total equity attributable to owners of the Company	<u>29,847,521</u>	<u>89</u>	<u>30,763,284</u>	<u>87</u>	<u>27,426,470</u>	<u>86</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>641,073</u>	<u>2</u>	<u>728,770</u>	<u>2</u>	<u>609,959</u>	<u>2</u>
Total equity	<u>30,488,594</u>	<u>91</u>	<u>31,492,054</u>	<u>89</u>	<u>28,036,429</u>	<u>88</u>
<b>TOTAL</b>	<u>\$ 33,432,962</u>	<u>100</u>	<u>\$ 35,274,172</u>	<u>100</u>	<u>\$ 31,898,947</u>	<u>100</u>

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

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022**  
(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			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE, NET	\$ 3,597,738	100	\$ 6,800,957	100	\$ 7,032,402	100	\$ 12,821,732	100
OPERATING COSTS	<u>2,133,908</u>	<u>59</u>	<u>3,160,073</u>	<u>46</u>	<u>4,038,662</u>	<u>57</u>	<u>5,955,931</u>	<u>46</u>
GROSS PROFIT	<u>1,463,830</u>	<u>41</u>	<u>3,640,884</u>	<u>54</u>	<u>2,993,740</u>	<u>43</u>	<u>6,865,801</u>	<u>54</u>
OPERATING EXPENSES								
Selling and marketing expenses	334,558	9	309,280	5	672,614	10	576,544	5
General and administrative expenses	218,115	6	206,053	3	443,538	6	397,631	3
Research and development expenses	1,240,410	35	1,080,389	16	2,408,822	34	2,072,354	16
Expected credit (gain) loss	<u>(17,020)</u>	<u>-</u>	<u>4,857</u>	<u>-</u>	<u>1,056</u>	<u>-</u>	<u>5,424</u>	<u>-</u>
Total operating expenses	<u>1,776,063</u>	<u>50</u>	<u>1,600,579</u>	<u>24</u>	<u>3,526,030</u>	<u>50</u>	<u>3,051,953</u>	<u>24</u>
OTHER OPERATING INCOME AND EXPENSES, NET	<u>3,857</u>	<u>-</u>	<u>4,218</u>	<u>-</u>	<u>8,148</u>	<u>-</u>	<u>8,415</u>	<u>-</u>
(LOSS) PROFIT FROM OPERATIONS	<u>(308,376)</u>	<u>(9)</u>	<u>2,044,523</u>	<u>30</u>	<u>(524,142)</u>	<u>(7)</u>	<u>3,822,263</u>	<u>30</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income	149,493	4	57,789	1	300,000	4	97,139	1
Other income	27,656	1	112,529	2	183,200	2	161,619	1
Interest expenses	(641)	-	(133)	-	(1,106)	-	(368)	-
Foreign exchange gain, net	70,715	2	148,272	2	46,782	1	142,780	1
Share of loss of associates	(30,964)	(1)	(12,749)	-	(89,187)	(1)	(34,207)	-
(Loss) gain on financial instruments at fair value through profit or loss	(55,620)	(2)	27,214	-	94,138	1	20,840	-
Miscellaneous expenses	<u>(9,935)</u>	<u>-</u>	<u>(10,539)</u>	<u>-</u>	<u>(19,817)</u>	<u>-</u>	<u>(26,116)</u>	<u>-</u>
Total non-operating income and expenses	<u>150,704</u>	<u>4</u>	<u>322,383</u>	<u>5</u>	<u>514,010</u>	<u>7</u>	<u>361,687</u>	<u>3</u>
(LOSS) PROFIT BEFORE INCOME TAX	(157,672)	(5)	2,366,906	35	(10,132)	-	4,183,950	33
INCOME TAX BENEFIT (EXPENSE)	<u>22,907</u>	<u>1</u>	<u>(204,283)</u>	<u>(3)</u>	<u>50,233</u>	<u>1</u>	<u>(377,337)</u>	<u>(3)</u>
NET (LOSS) PROFIT FOR THE PERIOD	<u>(134,765)</u>	<u>(4)</u>	<u>2,162,623</u>	<u>32</u>	<u>40,101</u>	<u>1</u>	<u>3,806,613</u>	<u>30</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								

(Continued)

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

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022**  
(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			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Exchange differences arising from translation to the presentation currency	\$ 639,542	18	\$ 946,024	14	\$ 385,559	5	\$ 1,824,068	14
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	(926,966)	(26)	(820,332)	(12)	(685,277)	(10)	(766,069)	(6)
Share of the other comprehensive loss of associates accounted for using equity method	(36,205)	(1)	(42,920)	(1)	(24,895)	-	(45,998)	-
Other comprehensive (loss) income for the period, net of income tax	(323,629)	(9)	82,772	1	(324,613)	(5)	1,012,001	8
<b>TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD</b>	<b>\$ (458,394)</b>	<b>(13)</b>	<b>\$ 2,245,395</b>	<b>33</b>	<b>\$ (284,512)</b>	<b>(4)</b>	<b>\$ 4,818,614</b>	<b>38</b>
<b>NET (LOSS) PROFIT ATTRIBUTABLE TO:</b>								
Owners of the Company	\$ (103,080)	(3)	\$ 2,090,776	31	\$ 115,297	2	\$ 3,668,875	29
Non-controlling interests	(31,685)	(1)	71,847	1	(75,196)	(1)	137,738	1
	<b>\$ (134,765)</b>	<b>(4)</b>	<b>\$ 2,162,623</b>	<b>32</b>	<b>\$ 40,101</b>	<b>1</b>	<b>\$ 3,806,613</b>	<b>30</b>
<b>TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:</b>								
Owners of the Company	\$ (409,920)	(12)	\$ 2,181,923	32	\$ (195,902)	(3)	\$ 4,670,366	37
Non-controlling interests	(48,474)	(1)	63,472	1	(88,610)	(1)	148,248	1
	<b>\$ (458,394)</b>	<b>(13)</b>	<b>\$ 2,245,395</b>	<b>33</b>	<b>\$ (284,512)</b>	<b>(4)</b>	<b>\$ 4,818,614</b>	<b>38</b>
<b>EARNINGS (LOSS) PER SHARE</b>								
Basic	<u>(\$0.27)</u>		<u>\$5.53</u>		<u>\$0.30</u>		<u>\$9.72</u>	
Diluted	<u>(\$0.27)</u>		<u>\$5.26</u>		<u>\$0.29</u>		<u>\$9.22</u>	

(Concluded)

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

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022**  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company						Other Equity			Non-controlling Interest	Total Equity	
	Common Share	Capital Surplus	Legal Reserve	Retained Earnings		Total	Exchange Differences on Translating Foreign Operations	Unearned Employee Benefits	Total Other Equity			Total
				Special Reserve	Unappropriated Earnings							
BALANCE AT JANUARY 1, 2022	\$ 943,567	\$ 9,256,486	\$ 996,568	\$ 1,129,475	\$ 13,184,448	\$ 15,310,491	\$ (1,461,963)	\$ (315,207)	\$ (1,777,170)	\$ 23,733,374	\$ 444,578	\$ 24,177,952
Appropriation of the 2021 earnings	-	-	-	332,488	(332,488)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(332,488)	-	-	-	-	(332,488)	-	(332,488)
Cash dividends distributed by Silergy Corp.	-	-	-	-	(1,698,420)	(1,698,420)	-	-	-	(1,698,420)	-	(1,698,420)
	-	-	-	332,488	(2,030,908)	(1,698,420)	-	-	-	(1,698,420)	-	(1,698,420)
Change in percentage of ownership interests in subsidiaries	-	(8,218)	-	-	(8,915)	(8,915)	-	-	-	(17,133)	17,133	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	11,552	-	-	-	-	-	-	-	11,552	-	11,552
Recognition compensation cost of employee share options by Silergy Corp.	-	310,511	-	-	-	-	-	-	-	310,511	-	310,511
Net profit for the six months ended June 30, 2022	-	-	-	-	3,668,875	3,668,875	-	-	-	3,668,875	137,738	3,806,613
Other comprehensive income for the six months ended June 30, 2022, net of income tax	-	-	-	-	-	-	1,001,491	-	1,001,491	1,001,491	10,510	1,012,001
Total comprehensive income for the six months ended June 30, 2022	-	-	-	-	3,668,875	3,668,875	1,001,491	-	1,001,491	4,670,366	148,248	4,818,614
Issue of common shares under employee share options	5,344	243,596	-	-	-	-	-	-	-	248,940	-	248,940
Issue of restricted shares of stock and recognition of related compensation cost	1,316	324,271	-	-	-	-	-	(158,307)	(158,307)	167,280	-	167,280
BALANCE AT JUNE 30, 2022	\$ 950,227	\$ 10,138,198	\$ 996,568	\$ 1,461,963	\$ 14,813,500	\$ 17,272,031	\$ (460,472)	\$ (473,514)	\$ (933,986)	\$ 27,426,470	\$ 609,959	\$ 28,036,429
BALANCE AT JANUARY 1, 2023	\$ 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	-	-	-	(1,248,912)	1,248,912	-	-	-	-	(1,248,912)	-	(1,248,912)
Cash dividends distributed by Silergy Corp.	-	-	-	-	(1,710,741)	(1,710,741)	-	-	-	(1,710,741)	-	(1,710,741)
	-	-	-	(1,248,912)	(461,829)	(1,710,741)	-	-	-	(1,710,741)	-	(1,710,741)
Change 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	203,777	-	-	-	-	-	-	-	207,316	-	207,316
Issue of restricted shares of stock and recognition of related compensation cost	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	\$ 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



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

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022**  
**(In Thousands of New Taiwan Dollars)**

	<b>For the Six Months Ended</b>	
	<b>June 30</b>	
	<b>2023</b>	<b>2022</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) income before income tax	\$ (10,132)	\$ 4,183,950
Adjustments for:		
Expected credit loss on trade receivables	1,056	5,424
Net gain on financial instruments at fair value through profit or loss	(94,138)	(20,840)
Depreciation expenses	243,894	170,649
Amortization expenses	104,924	98,024
Interest income	(300,000)	(97,139)
Dividend income	(110,795)	(5,977)
Interest expenses	1,106	368
Compensation cost of employee share options	567,194	310,511
Compensation cost of restricted employee shares	192,239	167,280
Share of loss of associates	89,187	34,207
Loss on disposal of property, plant and equipment	22	148
Gains on disposal of intangible assets	(8,522)	(8,563)
Write-down of inventories	432,594	106,706
Unrealized loss on foreign currency exchange	3,195	15,626
Changes in operating assets and liabilities		
Decrease (increase) in accounts receivable	283,608	(508,541)
(Increase) decrease in other receivables	(124,273)	20,201
Decrease (increase) in inventories	864,399	(944,042)
Decrease in prepayments	75,370	77,342
Increase in defined benefit assets - non-current	-	(30)
Decrease in refundable deposits	2,736	-
(Decrease) increase in notes and accounts payable	(133,745)	451,621
Increase (decrease) in accounts payable - related parties	792	(3,216)
Decrease in other payables	(506,431)	(109,012)
Decrease in other current liabilities	(261)	(12,943)
Increase in defined benefit liabilities - non-current	233	-
(Decrease) increase in guarantee deposits	(233,197)	1,171,006
Cash generated from operations	1,341,055	5,102,760
Interest received	276,846	78,711
Interest paid	(1,106)	(368)
Income tax paid	(120,186)	(598,174)
Net cash generated from operating activities	<u>1,496,609</u>	<u>4,582,929</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at amortized cost	-	(1,107,071)
Proceeds from sale of financial assets at amortized cost	1,132,326	1,246,936
		(Continued)

**SILERGY CORP.**  
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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2023 AND 2022**  
**(In Thousands of New Taiwan Dollars)**

	<b>For the Six Months Ended</b>	
	<b>June 30</b>	
	<b>2023</b>	<b>2022</b>
Purchase of financial assets at fair value through profit or loss	\$ (260,605)	\$ (537,002)
Acquisition of property, plant and equipment	(400,895)	(121,133)
Proceeds from disposal of property, plant and equipment	-	9
Payments for right-of-use assets	(65,795)	-
Payments for intangible assets	(68,952)	(49,508)
Increase in refundable deposits	(10,534)	(22,925)
Increase in prepayments for business facilities	(22,194)	(50,903)
Increase in long-term prepayments	(42,624)	-
Cash dividends received	<u>110,795</u>	<u>5,977</u>
Net cash generated from (used in) investing activities	<u>371,522</u>	<u>(635,620)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase (decrease) in guarantee deposits	29,647	(35,616)
Repayment of the principal portion of lease liabilities	(34,135)	(30,445)
Cash dividends paid	(1,721,681)	(1,692,199)
Proceeds from exercise of employee share options	207,316	248,940
Partial disposals of interests in subsidiaries without a loss of control	<u>22,488</u>	<u>-</u>
Net cash used in financing activities	<u>(1,496,365)</u>	<u>(1,509,320)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>(191,711)</u>	<u>786,132</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	180,055	3,224,121
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>14,943,680</u>	<u>11,614,236</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>\$ 15,123,735</u>	<u>\$ 14,838,357</u>

(Concluded)