

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Silergy Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of Silergy Corp. and its subsidiaries as of September 30, 2023 and 2022, the related consolidated statements of comprehensive income for the three months ended September 30, 2023 and 2022 and for the nine months ended September 30, 2023 and 2022, the consolidated statements of changes in equity and cash flows for the nine 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). 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. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of Silergy Corp. and its subsidiaries as of September 30, 2023 and 2022, its consolidated financial performance for the three months ended September 30, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 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.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 14, 2023

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

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

ASSETS	September 30, 2023		December 31, 2022		September 30, 2022	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents	\$ 13,733,236	38	\$ 14,943,680	42	\$ 15,991,459	45
Financial assets at amortized cost - current	4,635,231	13	2,425,193	7	1,117,989	3
Accounts receivable, net	1,647,939	5	1,617,688	5	2,370,598	7
Other receivables	132,111	-	87,226	-	51,937	-
Inventories	3,093,396	9	5,111,128	15	5,006,202	14
Prepayments	330,979	1	353,981	1	545,438	2
Total current assets	<u>23,572,892</u>	<u>66</u>	<u>24,538,896</u>	<u>70</u>	<u>25,083,623</u>	<u>71</u>
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current	4,365,585	12	3,729,859	11	3,602,617	10
Investments accounted for using equity method	841,253	2	941,434	3	989,937	3
Property, plant and equipment	2,208,637	6	1,862,613	5	1,788,899	5
Right-of-use assets	866,922	3	621,941	2	128,750	-
Investment properties	560,748	2	603,982	2	614,455	2
Goodwill	1,575,470	4	1,504,441	4	1,552,018	5
Other intangible assets	610,596	2	665,000	2	734,614	2
Deferred tax assets	314,557	1	164,883	-	136,470	1
Refundable deposits	338,991	1	425,895	1	404,956	1
Long-term accounts receivable, net	170,793	1	167,559	-	-	-
Net defined benefit assets - non-current	-	-	-	-	948	-
Long-term prepayments	150,851	-	47,669	-	132,298	-
Total non-current assets	<u>12,004,403</u>	<u>34</u>	<u>10,735,276</u>	<u>30</u>	<u>10,085,962</u>	<u>29</u>
TOTAL	<u>\$ 35,577,295</u>	<u>100</u>	<u>\$ 35,274,172</u>	<u>100</u>	<u>\$ 35,169,585</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term loans	\$ 53,935	-	\$ -	-	\$ -	-
Financial liabilities at fair value through profit or loss - current	-	-	16,858	-	17,098	-
Accounts payable	464,012	2	601,448	2	1,251,100	4
Accounts payable - related parties	5,491	-	4,694	-	8,342	-
Other payables	768,075	2	1,344,035	4	1,381,401	4
Current tax liabilities	275,099	1	360,825	1	367,528	1
Lease liabilities - current	76,201	-	51,376	-	53,118	-
Other current liabilities	43,649	-	35,847	-	31,510	-
Total current liabilities	<u>1,686,462</u>	<u>5</u>	<u>2,415,083</u>	<u>7</u>	<u>3,110,097</u>	<u>9</u>
NON-CURRENT LIABILITIES						
Deferred tax liabilities	85,031	-	19,709	-	14,378	-
Lease liabilities - non-current	210,151	1	52,484	-	53,091	-
Net defined benefit liabilities - non-current	1,717	-	1,363	-	-	-
Guarantee deposits	1,112,486	3	1,293,469	4	1,264,362	4
Other non-current liabilities	10	-	10	-	-	-
Total non-current liabilities	<u>1,409,395</u>	<u>4</u>	<u>1,367,035</u>	<u>4</u>	<u>1,331,831</u>	<u>4</u>
Total liabilities	<u>3,095,857</u>	<u>9</u>	<u>3,782,118</u>	<u>11</u>	<u>4,441,928</u>	<u>13</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital						
Common shares	958,754	2	953,900	3	952,050	2
Capital surplus	12,145,150	34	10,946,900	31	10,459,611	30
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	4
Unappropriated earnings	17,250,912	48	17,103,077	48	16,203,606	46
Total retained earnings	<u>18,460,531</u>	<u>52</u>	<u>19,561,608</u>	<u>55</u>	<u>18,662,137</u>	<u>53</u>
Other equity						
Exchange differences on translating foreign operations	676,890	2	(213,051)	(1)	427,142	1
Unearned employee benefits	(398,094)	(1)	(486,073)	(1)	(421,324)	(1)
Total other equity	<u>278,796</u>	<u>1</u>	<u>(699,124)</u>	<u>(2)</u>	<u>5,818</u>	<u>-</u>
Total equity attributable to owners of the Company	<u>31,843,231</u>	<u>89</u>	<u>30,763,284</u>	<u>87</u>	<u>30,079,616</u>	<u>85</u>
NON-CONTROLLING INTERESTS	<u>638,207</u>	<u>2</u>	<u>728,770</u>	<u>2</u>	<u>648,041</u>	<u>2</u>
Total equity	<u>32,481,438</u>	<u>91</u>	<u>31,492,054</u>	<u>89</u>	<u>30,727,657</u>	<u>87</u>
TOTAL	<u>\$ 35,577,295</u>	<u>100</u>	<u>\$ 35,274,172</u>	<u>100</u>	<u>\$ 35,169,585</u>	<u>100</u>

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE, NET	\$ 4,111,329	100	\$ 5,991,037	100	\$ 11,143,731	100	\$ 18,812,769	100
OPERATING COSTS	<u>2,337,549</u>	<u>57</u>	<u>2,887,126</u>	<u>48</u>	<u>6,376,211</u>	<u>57</u>	<u>8,843,057</u>	<u>47</u>
GROSS PROFIT	<u>1,773,780</u>	<u>43</u>	<u>3,103,911</u>	<u>52</u>	<u>4,767,520</u>	<u>43</u>	<u>9,969,712</u>	<u>53</u>
OPERATING EXPENSES								
Selling and marketing expenses	322,625	8	305,650	5	995,239	9	882,194	5
General and administrative expenses	235,652	5	216,719	4	679,190	6	614,350	3
Research and development expenses	1,229,995	30	1,128,632	19	3,638,817	33	3,200,986	17
Expected credit loss	<u>325</u>	<u>-</u>	<u>1,125</u>	<u>-</u>	<u>1,381</u>	<u>-</u>	<u>6,549</u>	<u>-</u>
Total operating expenses	<u>1,788,597</u>	<u>43</u>	<u>1,652,126</u>	<u>28</u>	<u>5,314,627</u>	<u>48</u>	<u>4,704,079</u>	<u>25</u>
OTHER OPERATING INCOME AND EXPENSES, NET	<u>13,424</u>	<u>-</u>	<u>4,060</u>	<u>-</u>	<u>21,572</u>	<u>-</u>	<u>12,475</u>	<u>-</u>
(LOSS) PROFIT FROM OPERATIONS	<u>(1,393)</u>	<u>-</u>	<u>1,455,845</u>	<u>24</u>	<u>(525,535)</u>	<u>(5)</u>	<u>5,278,108</u>	<u>28</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income	165,782	4	100,709	2	465,782	4	197,848	1
Other income	209,542	5	66,293	1	392,742	3	227,912	1
Interest expenses	(675)	-	(488)	-	(1,781)	-	(856)	-
Foreign exchange gain, net	22,681	-	139,212	2	69,463	1	281,992	1
Share of loss of associates	(39,087)	(1)	(47,773)	(1)	(128,274)	(1)	(81,980)	-
Gain (loss) on financial instruments at fair value through profit or loss	122,634	3	(81,465)	(1)	216,772	2	(60,625)	-
Miscellaneous expenses	<u>(11,800)</u>	<u>-</u>	<u>(18,862)</u>	<u>-</u>	<u>(31,617)</u>	<u>-</u>	<u>(44,978)</u>	<u>-</u>
Total non-operating income and expenses	<u>469,077</u>	<u>11</u>	<u>157,626</u>	<u>3</u>	<u>983,087</u>	<u>9</u>	<u>519,313</u>	<u>3</u>
PROFIT BEFORE INCOME TAX	467,684	11	1,613,471	27	457,552	4	5,797,421	31
INCOME TAX (EXPENSE) BENEFIT	<u>(7,847)</u>	<u>-</u>	<u>(123,062)</u>	<u>(2)</u>	<u>42,386</u>	<u>1</u>	<u>(500,399)</u>	<u>(3)</u>
NET PROFIT FOR THE PERIOD	<u>459,837</u>	<u>11</u>	<u>1,490,409</u>	<u>25</u>	<u>499,938</u>	<u>5</u>	<u>5,297,022</u>	<u>28</u>
OTHER COMPREHENSIVE INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Exchange differences arising from translation to the presentation currency	1,137,855	28	1,878,684	31	1,523,414	14	3,702,752	20

(Continued)

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2023		2022		2023		2022	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	\$ 94,271	2	\$ (932,771)	(15)	\$ (591,006)	(6)	\$ (1,698,840)	(9)
Share of the other comprehensive loss of associates accounted for using equity method	<u>(3,940)</u>	<u>-</u>	<u>(50,446)</u>	<u>(1)</u>	<u>(28,835)</u>	<u>-</u>	<u>(96,444)</u>	<u>(1)</u>
Other comprehensive income for the period, net of income tax	<u>1,228,186</u>	<u>30</u>	<u>895,467</u>	<u>15</u>	<u>903,573</u>	<u>8</u>	<u>1,907,468</u>	<u>10</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 1,688,023</u>	<u>41</u>	<u>\$ 2,385,876</u>	<u>40</u>	<u>\$ 1,403,511</u>	<u>13</u>	<u>\$ 7,204,490</u>	<u>38</u>
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 494,367	12	\$ 1,468,520	25	\$ 609,664	5	\$ 5,137,395	27
Non-controlling interests	<u>(34,530)</u>	<u>(1)</u>	<u>21,889</u>	<u>-</u>	<u>(109,726)</u>	<u>(1)</u>	<u>159,627</u>	<u>1</u>
	<u>\$ 459,837</u>	<u>11</u>	<u>\$ 1,490,409</u>	<u>25</u>	<u>\$ 499,938</u>	<u>4</u>	<u>\$ 5,297,022</u>	<u>28</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 1,695,506	41	\$ 2,356,134	39	\$ 1,499,604	14	\$ 7,026,500	37
Non-controlling interests	<u>(7,483)</u>	<u>-</u>	<u>29,742</u>	<u>1</u>	<u>(96,093)</u>	<u>(1)</u>	<u>177,990</u>	<u>1</u>
	<u>\$ 1,688,023</u>	<u>41</u>	<u>\$ 2,385,876</u>	<u>40</u>	<u>\$ 1,403,511</u>	<u>13</u>	<u>\$ 7,204,490</u>	<u>38</u>
EARNINGS PER SHARE								
Basic	<u>\$ 1.29</u>		<u>\$ 3.87</u>		<u>\$ 1.60</u>		<u>\$13.59</u>	
Diluted	<u>\$ 1.26</u>		<u>\$ 3.69</u>		<u>\$ 1.55</u>		<u>\$12.92</u>	

(Concluded)

SILERGY CORP.
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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company						Other Equity			Total	Non-controlling Interest	Total Equity
	Common Shares	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Unearned Employee Benefits	Total Other Equity				
			Legal Reserve	Special Reserve	Unappropriated Earnings				Total Retained 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	-	-	-	-	(1,698,420)	(1,698,420)	-	-	-	(1,698,420)	-	(1,698,420)
Cash dividends distributed by Silergy Corp.	-	-	-	332,488	(2,030,908)	(1,698,420)	-	-	-	(1,698,420)	-	(1,698,420)
Change in percentage of ownership interests in subsidiaries	-	(8,218)	-	-	(17,255)	(17,255)	-	-	-	(25,473)	25,473	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	11,892	-	-	(70,074)	(70,074)	-	-	-	(58,182)	-	(58,182)
Recognition compensation cost of employee share options by Silergy Corp.	-	531,738	-	-	-	-	-	-	-	531,738	-	531,738
Net profit for the nine months ended September 30, 2022	-	-	-	-	5,137,395	5,137,395	-	-	-	5,137,395	159,627	5,297,022
Other comprehensive income for the nine months ended September 30, 2022, net of income tax	-	-	-	-	-	-	1,889,105	-	1,889,105	1,889,105	18,363	1,907,468
Total comprehensive income for the nine months ended September 30, 2022	-	-	-	-	5,137,395	5,137,395	1,889,105	-	1,889,105	7,026,500	177,990	7,204,490
Issue of common shares under employee share options	6,951	307,825	-	-	-	-	-	-	-	314,776	-	314,776
Issue of restricted shares of stock and recognition of related compensation cost	1,532	359,888	-	-	-	-	-	(106,117)	(106,117)	255,303	-	255,303
BALANCE AT SEPTEMBER 30, 2022	\$ 952,050	\$ 10,459,611	\$ 996,568	\$ 1,461,963	\$ 16,203,606	\$ 18,662,137	\$ 427,142	\$ (421,324)	\$ 5,818	\$ 30,079,616	\$ 648,041	\$ 30,727,657
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	-	-	-	-	(1,710,741)	(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)
Change in percentage of ownership interests in subsidiaries	-	16,958	-	-	-	-	-	-	-	16,958	(16,958)	-
Changes in capital surplus from investments in associates accounted for using the equity method	-	2,490	-	-	-	-	-	-	-	2,490	-	2,490
Recognition compensation cost of employee share options by Silergy Corp.	-	871,459	-	-	-	-	-	-	-	871,459	-	871,459
Net profit (loss) for the nine months ended September 30, 2023	-	-	-	-	609,664	609,664	-	-	-	609,664	(109,726)	499,938
Other comprehensive income for the nine months ended September 30, 2023, net of income tax	-	-	-	-	-	-	889,941	-	889,941	889,941	13,633	903,574
Total comprehensive income (loss) for the nine months ended September 30, 2023	-	-	-	-	609,664	609,664	889,941	-	889,941	1,499,605	(96,093)	1,403,512
Issue of common shares under employee share options	4,465	249,781	-	-	-	-	-	-	-	254,246	-	254,246
Issue of restricted shares of stock and recognition of related compensation cost	389	57,562	-	-	-	-	-	87,979	87,979	145,930	-	145,930
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	22,488	22,488
BALANCE AT SEPTEMBER 30, 2023	\$ 958,754	\$ 12,145,150	\$ 996,568	\$ 213,051	\$ 17,250,912	\$ 18,460,531	\$ 676,890	\$ (398,094)	\$ 278,796	\$ 31,843,231	\$ 638,207	\$ 32,481,438

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

	For the Nine Months Ended	
	September 30	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 457,552	\$ 5,797,421
Adjustments for:		
Expected credit loss on trade receivables	1,381	6,549
Net (gain) loss on financial instruments at fair value through profit or loss	(216,772)	60,625
Depreciation expenses	374,242	274,771
Amortization expenses	158,685	150,330
Interest income	(465,782)	(197,848)
Dividend income	(253,452)	(13,965)
Interest expenses	1,781	856
Compensation cost of employee share options	871,459	531,738
Compensation cost of restricted employee shares	145,930	255,303
Share of loss of associates	128,274	81,980
(Gain) loss on disposal of property, plant and equipment	(8,782)	389
Gains on disposal of intangible assets	(12,790)	(12,864)
Write-down of inventories	679,906	201,524
Unrealized loss (gain) on foreign currency exchange	4,743	(7,690)
Gain on lease modification	-	(15)
Changes in operating assets and liabilities		
Increase in accounts receivable	(33,481)	(443,845)
(Increase) decrease in other receivables	(11,044)	22,213
Decrease (increase) in inventories	1,301,403	(2,475,400)
Decrease (increase) in prepayments	55,069	(66,342)
Increase in defined benefit assets - non-current	-	(59)
Decrease in refundable deposits	114,593	-
(Decrease) increase in accounts payable	(137,768)	513,618
Increase in accounts payable - related parties	797	558
(Decrease) increase in other payables	(432,996)	130,148
Increase (decrease) in other current liabilities	7,802	(17,789)
Increase in defined benefit liabilities - non-current	354	-
(Decrease) increase in guarantee deposits	(236,276)	1,245,517
Cash generated from operations	2,494,828	6,037,723
Interest received	431,911	176,272
Interest paid	(1,781)	(856)
Income tax paid	(164,125)	(752,716)
Net cash generated from operating activities	<u>2,760,833</u>	<u>5,460,423</u>

CASH FLOWS FROM INVESTING ACTIVITIES

(Continued)

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

	For the Nine Months Ended	
	September 30	
	2023	2022
Purchase of financial assets at amortized cost	\$ (4,635,231)	\$ (1,117,989)
Disposal of financial assets measured at amortized cost	2,425,193	1,246,936
Purchase of financial assets at fair value through profit or loss	(327,753)	(538,199)
Acquisition of investments accounted for using equity method	-	(239,005)
Acquisition of property, plant and equipment	(649,774)	(250,262)
Proceeds from disposal of property, plant and equipment	11,752	331
Increase in refundable deposits	(27,689)	(73,288)
Acquisition of intangible assets	(73,981)	(54,551)
Payments for right-of-use assets	(65,824)	-
Increase in prepayments for business facilities	(35,775)	-
Increase in long-term prepayments	(132,459)	(122,904)
Cash dividends received	<u>253,452</u>	<u>13,965</u>
Net cash used in investing activities	<u>(3,258,089)</u>	<u>(1,134,966)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	53,935	-
Increase (decrease) in guarantee deposits	55,293	(34,450)
Repayment of the principal portion of lease liabilities	(51,975)	(44,758)
Cash dividends paid	(1,721,681)	(1,692,199)
Proceeds from exercise of employee share options	254,246	314,776
Partial disposals of interests in subsidiaries without a loss of control	<u>22,488</u>	<u>-</u>
Net cash used in financing activities	<u>(1,387,694)</u>	<u>(1,456,631)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>674,506</u>	<u>1,508,397</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,210,444)	4,377,223
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>14,943,680</u>	<u>11,614,236</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 13,733,236</u>	<u>\$ 15,991,459</u>

(Concluded)